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CALENDAR
MEETING OF
FINANCE COMMITTEE

DOCUMENTS DEPT.

JUN 9 1989

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Board of Supervisors
City and County of San Francisco

WEDNESDAY, JUNE 7, 1989 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

ABSENT: SUPERVISOR WARD

CLERK: GREG HOBSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll-call vote of the committee. There will be no separate discussion of these items unless a member of the committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
 - a) File 23-89-5. [Claim Against the Government] Resolution waiving the statute of limitations with respect to payment of certain warrants of the City and County of San Francisco, payable to Helen Morton, Administrator of the Estate of Catherine H. Groezinger in the sum of \$263.81, a legal obligation of the City and County of San Francisco. (Controller)
 - b) File 25-89-21. [Contracting Out Services] Resolution finding that it is economical for the Public Utilities Commission to contract for paratransit services in accordance with Charter Section 8.300-1. (Public Utilities Commission)
 - c) File 36-89-12. [Acceptance of Gift] Resolution accepting a gift of \$60,000 in cash and in-kind contributions from the Pacific Gas and Electric Company to assess the potential for district heating and cooling at the Mission Bay Redevelopment Area. (Public Utilities Commission)

ACTION: RECOMMENDED.

REGULAR CALENDAR

2. File 101-89-1. [Interim Annual Appropriation Ordinance] Interim Annual Appropriation Ordinance for fiscal year 1989-90. (Mayor)

ACTION: CONTINUED TO RECESSED MEETING, JUNE 8, 1989, 1:00 P.M.

3. File 102-89-1. [Interim Annual Salary Ordinance] Interim Annual Salary Ordinance for fiscal year 1989-89. (Civil Service Commission)

ACTION: CONTINUED TO RECESSED MEETING, JUNE 8, 1989, 1:00 P.M.

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4. File 101-88-136. [Government Funding] Ordinance appropriating \$5,688, Public Health - Central Office, for temporary salaries-miscellaneous, temporary salaries-nurses and related mandatory fringe benefits; rescinding \$733.00 from mandatory fringe benefits. (Controller) RO #8294

ACTION: TABLED.

5. File 101-88-137. [Government Funding] Ordinance appropriating \$175,793, Department of Public Health, San Francisco General Hospital, for permanent salaries-miscellaneous, related mandatory fringe benefits; rescinding \$175,793 from permanent salaries-miscellaneous and related mandatory fringe benefits, for the creation of twenty-three (23) positions; and providing for ratification of action previously taken. (Controller) RO #8286 (COMPANION TO FILE 102-88-49)

ACTION: QUESTION DIVIDED. (1) Appropriating \$135,793 for permanent salaries - miscellaneous, related mandatory fringe benefits and overtime. TABLED. (File 101-88-137)

(2) Appropriating \$40,000 for professional services. AMENDED. Reduce appropriation to \$20,000. RECOMMENDED AS AMENDED. NEW TITLE: "Appropriating \$20,000 for professional services and rescinding \$20,000 from permanent salaries - miscellaneous, San Francisco General Hospital, for fiscal year 1988-89." (File 101-88-137.1)

6. File 102-88-49. [Public Employment] Ordinance amending Annual Ordinance, 1988/89, Department of Public Health, San Francisco General Hospital Medical Center, reflecting the addition of twenty-three (23) positions (Classifications 2409 Pharmacy Technician (2); 2119 Health Care Analyst (2); 2112 Medical Records Technician (1); 1404 Clerk (10); 2110 Medical Records Clerk (5); 2427 Radiologic Technologist III (1); 2822 Health Educator (1) and 1406 Senior Clerk (1). (Civil Service Commission) (COMPANION TO FILE 101-88-137)

ACTION: TABLED.

7. File 186-89-13. [Health Fees] Resolution adopting a sliding scale and billing fee policy for San Francisco General Hospital and District Health Centers. (Health Commission)

ACTION: RECOMMENDED.

8. File 101-88-141. [Government Funding] Ordinance appropriating \$40,948, Public Health - Central Office, for temporary salaries, other current services and rental of property; rescinding \$40,948 from permanent salaries, miscellaneous, temporary salaries and related mandatory fringe benefits. (Controller) RO # 8306

ACTION: TABLED.

9. File 38-89-14. [Acceptance of Gifts] Resolution accepting gifts of two (2) Thomas Buses from the Freewheelers Association, Inc., valued at \$65,000 (one new bus) and \$65,000 (one used bus minus depreciation of four years), for the patients of Laguna Honda Hospital. (Department of Public Health)

ACTION: RECOMMENDED.

10. File 101-88-159. [Government Funding] Ordinance appropriating \$179,129, Department of Public Health - Community Public Health Services, for medical services contracts and data/word processing equipment maintenance; rescinding \$179,129 from permanent salaries-miscellaneous and related mandatory fringe benefits. (Controller) RO # 8330

ACTION: AMENDED. RECOMMENDED AS AMENDED. Reduce appropriation to \$173,379 and place on reserve. AMENDED TITLE:
"Appropriating \$173,379 for medical-services contracts and data/word processing equipment maintenance and rescinding \$173,379 from permanent salaries-miscellaneous and related mandatory fringe benefits, Public Health-Community Public Health Services, for fiscal year 1988-89; placing \$173,379 on reserve."

11. File 101-88-135. [Government Funding] Ordinance appropriating \$131,672, District Attorney, for permanent salaries-miscellaneous and related mandatory fringe benefits, for the creation of two positions, 8180 Principal Attorney and 8132 D.A. Investigative Assistant. (Controller) RO # 8289 (COMPANION TO FILE 102-88-48)

ACTION: RECOMMENDED.

12. File 102-88-48. [Government Funding] Ordinance amending Annual Salary Ordinance, 1988/89, District Attorney's Office, reflecting the addition of two (2) positions (Classifications 8180 Principal Attorney and 8132 D.A. Investigative Assistant). (COMPANION TO FILE 101-88-135)

ACTION: RECOMMENDED.

13. File 101-88-146. [Government Funding] Ordinance appropriating \$35,000, District Attorney, for litigation expenses. (Controller) RO # 8309

ACTION: RECOMMENDED.

14. File 101-88-147. [Government Funding] Ordinance appropriating \$13,544, District Attorney, for services of other departments-miscellaneous departments; providing for ratification of action previously taken. (Controller) RO # 8328

ACTION: RECOMMENDED.

15. File 101-88-138. [Government Funding] Ordinance appropriating \$110,320, Recreation and Park Department, for temporary salaries-miscellaneous; rescinding \$110,320, from temporary salaries-miscellaneous and mandatory fringe benefits. (Controller) RO #8303

ACTION: AMENDED. RECOMMENDED AS AMENDED. Reduce the appropriation to \$110,060. AMENDED TITLE:
"Appropriating \$110,060 for temporary salaries - miscellaneous and rescinding \$110,060 from temporary salaries - miscellaneous and related mandatory fringe benefits, Recreation and Park, for fiscal year 1988-89."

16. File 38-89-13. [Acceptance of Gifts] Resolution accepting two gifts from Friends of Recreation and Parks, valued at \$46,000 for use by the Recreation and Park Department. (Supervisor Ward)

ACTION: RECOMMENDED.

17. File 101-88-139. [Government Funding] Ordinance appropriating \$3,942, Mayor's Office, Bureau of Small Business for permanent salaries-miscellaneous and related mandatory fringe benefits, for the creation of three (3) positions (9790 Assistant to Mayor V, 9782 Assistant to Mayor I and 1444 Secretary I). (Controller) RO # 8304 (COMPANION TO FILE 102-88-47)

ACTION: TABLED.

18. File 102-88-47. [Public Employment] Ordinance amending Annual Salary Ordinance, 1988/89, Office of the Mayor, Bureau of Small Business, reflecting the addition of three (3) positions (Classifications 9790 Assistant to Mayor V, 9782 Assistant to Mayor I and 1444 Secretary I). (Civil Service Commission) (COMPANION TO FILE 101-88-139)

ACTION: TABLED.

19. File 101-88-160. [Government Funding] Ordinance appropriating \$4,500, Mayor's Office of Community Development - Bayview Hunters Point, for contractual services. (Controller) RO # 8293

ACTION: RECOMMENDED.

20. File 101-88-140. [Government Funding] Ordinance appropriating \$60,581, Police Department, for data processing contract services, materials and supplies, computer equipment, communication equipment and other equipment maintenance; rescinding \$60,581 from permanent salaries-miscellaneous. (Controller) RO #8302

ACTION: RECOMMENDED.

21. File 101-88-154. [Government Funding] Ordinance appropriating \$26,000, Police Department, for local share-grants; rescinding \$26,000 from permanent salaries-miscellaneous. (Controller) RO # 8319

ACTION: RECOMMENDED.

22. File 101-88-162. [Government Funding] Ordinance appropriating \$1,625,000 Police Department, for differential pay, overtime-uniform and holiday pay-uniform; rescinding \$1,240,000 from permanent salaries-uniform and retirement-City uniform; providing for ratification of action previously taken. (Controller) RO # 8320

ACTION: RECOMMENDED.

23. File 102-88-38. [Public Employment] Ordinance amending Annual Salary Ordinance, 1988-89, Office of the Chief Administrative Officer, reflecting the addition of seven (7) positions. (Civil Service Commission)

ACTION: CONTINUED TO THE CALL OF THE CHAIR.

24. File 215-89-4. [General Obligation Bonds] Resolution determining and declaring the public interest and necessity demand the acquisition, construction or completion by the City and County of San Francisco of the following municipal improvements, to wit: additions to and improvement of public facilities of the City and County of San Francisco, including earthquake hazards reduction, asbestos abatement, rehabilitation of City buildings, access for the disabled, and assessment programs for earthquake safety, asbestos removal and related work, this could include construction and reconstruction necessary or convenient to various public facilities in the City and County of San Francisco, and that the estimated cost of \$59,700,000 for said municipal improvements will be too great to be paid out of the ordinary annual income and revenue of said City and County and will require the incurring of a bonded indebtedness. (Supervisor Walker)

ACTION: AMENDMENT OF THE WHOLE BEARING NEW TITLE PRESENTED IN COMMITTEE. ADOPTED. AMENDMENT OF THE WHOLE RECOMMENDED. NEW TITLE: "Determining and declaring the public interest and necessity demand the acquisition, construction or reconstruction by the City and County of San Francisco of the following municipal improvements, to wit: public safety improvements to buildings owned by the City and County of San Francisco, including earthquake hazards reduction, asbestos abatement, providing access for the disabled, and assessment programs for earthquake safety, asbestos removal and access for the disabled, all related to the public safety to buildings owned by the City and County of San Francisco, including construction and reconstruction necessary or convenient to various buildings owned by the City and County of San Francisco, that the estimated cost of \$59,700,000 for said municipal improvements is and will be too great to be paid out of the ordinary annual income and revenue of said City and County and will require the incurring of a bonded indebtedness."

25. File 101-88-145. [Government Funding] Ordinance appropriating \$50,000, Department of Public Works, for capital improvement project (Removal of Architectural Barrier Study - Phase II). (Controller) RO # 8310

ACTION: RECOMMENDED.

26. File 101-88-148. [Government Funding] Ordinance appropriating \$100,000, Hetch Hetchy, for building, structures and improvements (acquisition of 1155 Market Street); rescinding \$100,000 from capital improvement projects (construct Warnerville Facilities). (Controller) RO # 8322

ACTION: AMENDED. RECOMMENDED AS AMENDED. Place \$50,000 on reserve. AMENDED TITLE: "Appropriating \$100,000 for buildings, structures and improvements (acquisition of 1155 Market Street) and rescinding \$100,000 from capital improvement projects (construct Warnerville facilities), Hetch Hetchy for fiscal year 1988-89; placing \$50,000 on reserve."

27. File 168-89-4. To consider authorizing the purchase of Lot 76, Block 2949A, on the west side of O'Shaughnessy Boulevard with Open Space Funds. (Supervisor Nelder)

ACTION: CONTINUED TO THE CALL OF THE CHAIR.

28. File 168-89-3. [Eminent Domain] [Public Hearing] Motion declaring intention of the Board of Supervisors to hold a public hearing to consider adopting a resolution of necessity in connection with a proposal to acquire by eminent domain Assessor's Block 2050A, Lot 6 in San Francisco for the Open Space Program. (Real Estate Department) (COMPANION TO FILE 168-89-3.1)

This motion fixes date for public hearing.

(Property at 1848 - 14th Avenue)

ACTION: AMENDMENT OF THE WHOLE BEARING NEW TITLE PRESENTED IN COMMITTEE. ADOPTED. AMENDED. RECOMMENDED AS AMENDED. Insert July 17, 1989, 3:00 p.m. for hearing date. NEW TITLE: "Declaring the intention of the Board of Supervisors to hold a public hearing on July 17, 1989, at 3:00 p.m. to consider adopting a resolution of necessity in connection with a proposal to acquire by eminent domain Assessor's Block No. 2050A, Lot 6 in San Francisco for the Open Space Program."

29. File 168-89-3.1. [Eminent Domain] Resolution authorizing acquisition of Lot 6 in Assessor's Block 2050A by eminent domain for the Open Space Program and to adopt findings pursuant to City Planning Code Section 101.1. (Real Estate Department) (COMPANION TO FILE 168-89-3)

ACTION: TO BOARD "WITHOUT RECOMMENDATION". (To appear on Board calendar as companion to File 168-89-3 on July 17, 1989.)

30. File 97-89-22. [Restitution Collection Fee] Ordinance amending Chapter VIII of the San Francisco Administrative Code by adding Section 8.31 thereto authorizing a fee to cover the administrative cost of collecting restitution by the Adult Probation Department. (Adult Probation Department) (Companion to File 97-89-23)

ACTION: RECOMMENDED.

31. File 97-89-23. [Restitution Fine - Fee] Ordinance amending Chapter VII of the San Francisco Administrative Code by adding Section 8.31-1 thereto, establishing a fee for certain administrative costs incurred by the Adult Probation Department. (Adult Probation Department) (Companion to the preceding item)

ACTION: RECOMMENDED.

32. File 101-88-151. [Government Funding] Ordinance appropriating \$109,933, Adult Probation, for Controller-data processing; rescinding \$109,933 from permanent salaries-miscellaneous and related mandatory fringe benefits; providing for ratification of action previously taken. (Controller) RO # 8321

ACTION: RECOMMENDED.

33. File 47-89-6. [Rate Adjustment Moscone Center Garage] Resolution increase in the early bird parking rate at Moscone Center Garage from \$5.00 to \$7.00. (Parking Authority)

ACTION: AMENDED. RECOMMENDED AS AMENDED. On line 21 after \$7 add "at Moscone Center Garage."

34. File 101-88-157. [Government Funding] Ordinance appropriating \$37,500, Parking Authority, for capital improvement project (conversions of existing parking meters). (Controller) RO # 8323

ACTION: RECOMMENDED.

35. File 151-89-1. [Redevelopment Agency Financing] Resolution finding that a Pier 36 Ship Repair Facility is of benefit to the Rincon Point-South Beach Redevelopment Project Area and that there is no reasonable means of financing said facility other than by the Redevelopment Agency of the City and County of San Francisco; and consenting to such financing. (Redevelopment Agency)

ACTION: CONTINUED TO THE CALL OF THE CHAIR.

36. File 101-88-142. [Government Funding] Ordinance appropriating \$248,811, Municipal Railway, for services of Public Utilities Commission (professional services-Prop J/CSC). (Controller) RO # 8305

ACTION: AMENDED. RECOMMENDED AS AMENDED. Reduce appropriation to \$245,811. AMENDED TITLE: "Appropriating \$245,811 for service of PUC (Professional services-Prop J/CSC), Municipal Railway, for fiscal year 1988-89."

37. File 101-88-158. [Government Funding] Ordinance appropriating \$960,000, Municipal Railway, for judgments and claims. (Controller) RO # 8331

ACTION: RECOMMENDED.

38. File 101-88-143. [Government Funding] Ordinance appropriating \$300,000, Department of Social Services, for home contractual assistance. (Controller) RO # 8311

ACTION: RECOMMENDED.

39. File 101-88-144. [Government Funding] Ordinance appropriating \$5,000,000, Department of Social Services, for foster care; rescinding \$8,000,000 from Aid to Families with Dependent Children; providing for ratification of action previously taken. (Controller) RO # 8313

ACTION: RECOMMENDED.

40. File 101-88-153. [Government Funding] Ordinance appropriating \$450,000, Department of Social Services, for adoption aid; providing for ratification of action previously taken. (Controller) RO # 8327

ACTION: RECOMMENDED.

41. File 101-88-161. [Government Funding] Ordinance appropriating \$3,500,000, Department of Social Services, for general assistance; providing for ratification of action previously taken. (Controller) RO # 8307

ACTION: RECOMMENDED.

42. File 101-88-150. [Government Funding] Ordinance appropriating \$175,000, Fire Department, for program project (examinations). (Controller) RO # 8325

ACTION: RECOMMENDED.

43. File 101-88-156. [Government Funding] Ordinance appropriating \$2,830,154, Fire Department, for permanent salaries-craft, temporary salaries, holiday pay - uniformed, extended work week and program project budget (examinations); rescinding \$627,333 from permanent salaries-uniform and related mandatory fringe benefits for the creation of one position (Classification 1808 Management Information System Technician I) and the deletion of one position (Classification 1720 Data Entry Operator); providing for ratification of action previously taken. (Controller) RO # 8329 (COMPANION TO FILE 102-88-45)

ACTION: AMENDED. RECOMMENDED AS AMENDED. Reduce appropriation to \$2,830,024. Delete (01-0010) permanent salaries-miscellaneous and Section 2. Change Section 3 to read Section 2. AMENDED. TITLE: "Appropriating \$2,830,024 for permanent salaries - craft, temporary salaries, holiday pay - uniformed, extended work week and program project budget (examinations) and rescinding \$627,203 from permanent salaries - uniform and related mandatory fringe benefits, Fire Department, for fiscal year 1988-89; providing for ratification of action previously taken."

44. File 102-88-45. [Public Employment] Ordinance amending Annual Salary Ordinance 1988-89, Fire Department, reflecting the addition of one position, Classification 1808 Management Information System Technician I and deletion of one position, Classification 1720 Data Entry Operator. (Civil Service Commission) (COMPANION TO FILE 101-88-156)

ACTION: TABLED.

45. File 101-88-152. [Government Funding] Ordinance appropriating \$22,000, Juvenile Court-Juvenile Hall, for materials and supplies; providing for ratification of action previously taken. (Controller) RO # 8326

ACTION: RECOMMENDED.

46. File 101-88-155. [Government Funding] Ordinance appropriating \$7,943, Commission on the Aging, for program project budget (personnel, administration, overtime, permanent); rescinding \$7,943 from program project budget (personnel, administration, permanent salaries-miscellaneous). (Controller) RO # 8318

ACTION: AMENDMENT OF THE WHOLE BEARING NEW TITLE PRESENTED IN COMMITTEE. AMENDMENT OF THE WHOLE ADOPTED. RECOMMENDED. NEW TITLE: "Appropriating \$7,943 for program project budget (personnel, administration, overtime, permanent) and rescinding \$7,943 from program project budget (personnel, administration - permanent-salaries-miscellaneous), Commission on the Aging, for fiscal year 1988-89; providing for ratification of action previously taken."

47. File 101-88-149. [Government Funding] Ordinance appropriating \$113,202, Public Library, for temporary salaries and mandatory fringe benefits, data processing equipment, telephone, materials and supplies and equipment (books); to be held in reserve to be forwarded to Fiscal Year 1989-90. (Controller) RO # 8324

ACTION: AMENDED. RECOMMENDED AS AMENDED. Place \$39,500 on reserve. AMENDED. TITLE: "Appropriating \$113,202 for temporary salaries and related mandatory fringe benefits, data processing equipment, telephone, materials and supplies and equipment (books), Public Library for fiscal year 1988-89, to be held in reserve; placing \$39,500 on reserve for computer equipment."

48. File 127-89-4. [Payroll Expense Tax] Ordinance continuing the Payroll Expense Tax Rate increase imposed by Ordinance No. 357-88 from July 1, 1989 to July 1, 1990. (Mayor)

ACTION: RECOMMENDED.

49. File 127-89-5. [Business Tax] Ordinance continuing the Business Tax rate Increase Imposed by Ordinance No. 358-88 from July 1, 1989 to July 1, 1990. (Mayor)

ACTION: RECOMMENDED.

CLOSED SESSION

50. File 45-89-21. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Minh Phi Tran against the City and County by payment of \$12,000. (City Attorney) RO # 8301 (Superior Court No. 840-950)

ACTION: CONTINUED TO RECESSED MEETING, JUNE 8, 1989, 1:00 P.M.

51. File 45-89-23. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Carlo Fontanilla against the City and County by payment of \$25,000. (City Attorney) RO # 8312 (Superior Court No. 886-398.)

ACTION: CONTINUED TO RECESSED MEETING, JUNE 8, 1989, 1:00 P.M.

52. File 45-89-24. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Lanton Renee Trumbo against the City and County by payment of \$12,500. (City Attorney) RO # 8315 (United States District Court No. C87-6118 MHP)

ACTION: CONTINUED TO RECESSED MEETING, JUNE 8, 1989, 1:00 P.M.

53. File 45-89-25. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Elsdon Johnson against the City and County by payment of \$8,000. (City Attorney) RO # 8316 (Superior Court No. 876-693)

ACTION: CONTINUED TO RECESSED MEETING, JUNE 8, 1989, 1:00 P.M.

54. File 45-89-27. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Barry Adrian Johnson against the City and County by payment of \$12,000. (City Attorney) (Superior Court No. 890-706)

ACTION: CONTINUED TO RECESSED MEETING, JUNE 8, 1989, 1:00 P.M.

55. File 46-89-8. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Larry Plol v Sokhana UI, et al., upon receipt of the sum of \$7,280; and authorizing dismissal of complaint. (City Attorney) (Superior Court No. 898-836.)

ACTION: CONTINUED TO RECESSED MEETING, JUNE 8, 1989, 1:00 P.M.

56. File 48-89-4. [Settlement of Unlitigated Claim] Resolution approving the settlement of the unlitigated claim of Farmers Insurance Company (insured: Francisco Perez) in the sum of \$7,500. (City Attorney)

ACTION: CONTINUED TO RECESSED MEETING, JUNE 8, 1989, 1:00 P.M.

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ATTN: Gerry Roth

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

Recommendations

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June 7, 1989

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JUN 9 1989

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TO: Finance Committee

FROM: Budget Analyst

SUBJECT: June 7, 1989 Finance Committee Meeting

Item 1a - File 23-89-5

Item: The proposed resolution would waive the statute of limitations pertaining to the payment of City and County of San Francisco warrants.

Description: The proposed legislation would authorize the Controller to replace the following warrants issued to Catherine Groezinger, now deceased, for payment of a monthly retirement pension:

<u>Warrant Number</u>	<u>Dated</u>	<u>Amount</u>
500-0431556	5/31/81	\$130.72
500-1587735	5/31/82	<u>133.09</u>
Total		\$263.81

The warrants listed above were issued through the Controller's Payroll Division. The Controller's Office has verified that the original warrants were not cashed and that the warrants have been cancelled.

Payment would be made to the estate of the deceased.

Recommendation: Approve the proposed resolution.

Item 1b - File 25-89-21

Department: Public Utilities Commission

Proposed Action: Resolution concurring with Controller's Certification of Costs required by Charter Section 8.300-I (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar work performed by City employees.

Services to be Performed: Paratransit Services

Description: The Controller has determined that contracting for these paratransit services in fiscal year 1989-90 would result in estimated savings as follows:

	Lowest Salary <u>Step</u>	Highest Salary <u>Step</u>
<u>City Operated Service Costs</u>		
Salaries and Fringe Benefits	\$4,173,828	\$4,525,314
Operating Expenses	<u>457,421</u>	<u>457,421</u>
Total	\$4,631,249	\$4,982,735
<u>Contracted Service Cost</u>	<u>3,780,457</u>	<u>3,780,457</u>
<u>Estimated Savings</u>	\$850,792	\$1,202,278

Comments: 1. Paratransit services were first certified as required by Charter Section 8.300-I in 1984 and have continued to have been provided by an outside contractor since then.

2. The current five-year contract, which expires June 30, 1991, is with U.S. Human Resources Corporation, a Minority Business Enterprise (MBE). The Contracted Service Cost used for the purpose of this analysis is the fourth year cost of the current contract. The U.S. Human Resources Corporation serves as the broker in marketing and managing transit services at a cost of \$404,114 for 1988-89. The actual paratransit services are provided by subcontractors at a cost of \$3,376,343 for 1989-90 for a total contract cost of \$3,780,457.

3. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of this contract, is attached.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

CHARTER 8.300-1 (Proposition J) QUESTIONNAIRE

Department PUC/MUNI Railway For Time Period 7/1/89 - 6/30/90

Contract Services Paratransit

- 1) Who performed services prior to contracting out?

No one - service has always been contracted out.

- 2) Number of City employees laid off as result of contracting out?

None

- 3) Explain disposition of employees if they were not laid off.

Not applicable.

- 4) What percent of a City employee's time is spent on services to be contracted out?

20% of one full time equivalent contract Administrator plus 3 hours per month of a 1630 - Accountant.

- 5) How long have the services been contracted out?

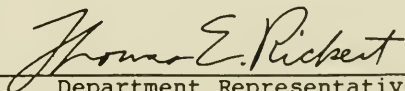
Nine (9) years.

- 6) What was the first fiscal year for a Proposition J Certification?

Fiscal Year 1983/84

- 7) How will contract services meet the goals of your MBE/WBE Action Plan?

The Brokerservices are performed by an MBE firm and not less than 30% of all service will be provided by MBE/WBE firms(s).



Department Representative

Telephone 923-6142

Item 1c - File 38-89-12

Department: Public Utilities Commission (PUC)

Item: Resolution to accept gift

Description: This resolution would authorize the acceptance of a gift of \$60,000 from Pacific Gas and Electric Company to assess the potential for district heating and cooling as part of the Mission Bay Project Area. District heating and cooling combines the energy needs for several buildings in one central plant in order to deliver heat and power more efficiently among these structures. Additional savings to this method of distribution includes the need for less space for equipment, the reduction of maintenance staff, the increase of air quality and long term fuel economy. The Pacific Gas and Electric Company has offered to provide technical and financial support for the effort up to a maximum of \$30,000 in cash and \$30,000 of in-kind technical support.

In 1987 the Public Utilities Commission (PUC) Bureau of Energy Conservation prepared a list of recommendations for the Mission Bay project known as the Energy Plan for Mission Bay, which recommended that district heating and cooling be further studied as an efficient thermal energy source for the areas of highest thermal energy demand. This gift is in support of the PUC Bureau of Energy Conservation study efforts in the Mission Bay Project.

Comment: As part of the Energy Element to the City's Comprehensive Plan, a policy has been established to encourage district heating and cooling systems. To this end the U.S. Department of Energy has provided grant funding to the City to conduct studies of thermal energy systems which could (1) substantially increase the efficiency of building air conditioning supplies and (2) substitute renewable energy resources for the use of premium fuels.

Recommendation: Approve the proposed resolution.

Items 2 and 3 - Files 101-89-1 and 102-89-1

1. These items are the Interim Annual Appropriation Ordinance (File 101-89-1) and Interim Annual Salary Ordinance (File 102-89-2) for Fiscal Year 1989-90.

2. The annual budget process for the City and County requires that the Board of Supervisors approve an Interim Annual Appropriation Ordinance and an Interim Annual Salary Ordinance for fiscal year 1989-90 on or before June 30, 1989. The purpose of these interim ordinances is to provide position and expenditure authorization for the various departments of the City and County during the time that the Board of Supervisors is reviewing the Mayor's recommended budget for 1989-90 which is scheduled to be adopted by the Board of Supervisors on July 17, 1989.

3. The Interim Annual Appropriation Ordinance and Interim Annual Salary Ordinance are based on the 1989-90 proposed budget recommendations of the Mayor. Thus, these ordinances include authorization and funding for all new programs and program revisions which are included in the Mayor's proposed 1989-90 budget. Each new program and program revision will be reviewed in detail during the budget hearings and sessions which have been scheduled by the Finance Committee from June 13 through June 22, 1989.

4. In previous years, the Board of Supervisors has adopted as a general policy that new positions and new programs not be authorized prior to receiving detailed review and approval. This general policy has been implemented by instructing the Controller not to certify the availability of funds for new positions during the interim budget period between July 1 and August 31 and not to certify the availability of funds for new programs or program expansions during this period.

5. Further, the administrative provisions of the Interim Annual Appropriation Ordinance state that no funds shall be allotted until September 1 for capital improvements and equipment. However, leased equipment is not subject to these instructions. In certain cases, specific exceptions to these general policies have been approved by the Board of Supervisors. Exceptions have been based on such factors as revenue generating potential from new positions and programs and major service deficiencies which would result from delays in filling new positions or starting new programs. Approval of certain equipment could result in cost savings. Where an exception is made for new positions, the new positions can be filled effective July 1, if the exception is approved by the Board of Supervisors. Otherwise, the new positions will generally not be filled until on or about September 1.

BOARD OF SUPERVISORS
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6. Draft amendments to the Administrative Provisions of the Annual Appropriation Ordinance (AAO) have been prepared for 1989-90 by the Controller as follows:

- a. Deletes specific identification of various funds which are continuously appropriated where such authority is contained in other sections of the City's Municipal Code.
- b. Requires that the Controller revise revenue estimates monthly or quarterly as he may determine periodically instead of monthly as specified in the current Administrative Provisions of the AAO.
- c. Authorizes the Controller to set procedures for departmental submission of allotment schedules instead of identifying specified dates for allotment schedules and modifications in the current Administrative Provisions of the AAO.
- d. Deletes detailed procedures for intradepartmental transfers now covered by departmental instructions of the Controller.
- e. Allows severance pay to be charged against any legally available funds instead of specific reserve accounts.
- f. Would add authority to Commission on Aging to receive and expend Federal and State grants in excess of budget estimates for programs which provide direct service to elderly only.

7. Section 3.2 of the Administrative Code provides that any amendments to the Administrative Provisions of the Annual Salary Ordinance shall be submitted by the Civil Service Commission to the Board of Supervisors. Accordingly, the Civil Service Commission prepared and submitted one proposed amendment to Section 1.34 of the Administrative Provisions of the Annual Salary Ordinance. This amendment resulted in an increase in the maximum allowable rate of pay for part-time employees from the current rate of \$608 per month to \$667 per month, representing a \$59 increase or approximately 9.7 percent. This amendment was previously approved by the Board of Supervisors as File 102-89-1. Other administrative provisions of the Annual Salary Ordinance include fee schedules for various services. The proposed fee schedules for 1989-90, submitted by the Controller's Office, are attached (Attachment I).

Recommendations

Approve the Interim Annual Appropriation Ordinance and the Interim Annual Salary Ordinance, including the administrative provisions of the Annual Appropriation Ordinance as recommended by the Controller, for the interim budget period between July 1 and August 31 or until the Annual Appropriation Ordinance and Annual Salary Ordinance are finally passed by the Board of Supervisors and signed by the Mayor with the following amendments:

BOARD OF SUPERVISORS
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- a. That all funding and authorization for new positions be reserved during the interim budget period subject to the specific exceptions listed in Attachment II.
- b. That all funding for capital improvement projects except normal facilities maintenance projects and those capital improvements identified in Attachment III be reserved during the interim budget period.
- c. That funding for items of equipment be reserved during the interim budget period subject to the specific exceptions identified in Attachment IV. That all departments be requested not to lease any new equipment during the interim budget period through a letter to all Departments from the Clerk of the Board.
- d. That funding for all new and expanded programs be reserved.



May 11, 1989

The Honorable Board of Supervisors
City and County of San Francisco
Room 235, City Hall
San Francisco, California 94102

Re: 1989-90 Annual Salary Ordinance

Dear Mr. Taylor:

Attached hereto are schedules of charges and deductions for maintenance under Section 1.3-C of the Annual Salary Ordinance commencing July 1, 1989.

We have included comparative summaries of meal, lodging and laundry costs furnished to employees. Costs were compiled from Departmental data on rates as established in the 1988-89 Annual Salary Ordinance.

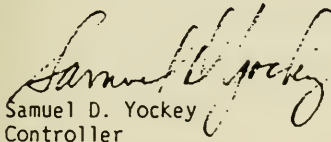
The recommended rates represent the projected amount necessary to recover the cost of meals and services provided to employees by the City and County of San Francisco based on actual costs incurred by the respective departments in the prior fiscal year and projections for the coming year, 1989-90.

A summary of rates recommended for change includes:

- O'Shaughnessy Guest Cottage - increase meal cost \$2 (\$6 per day)
 - increase room cost \$2 per day
- Juvenile Court - increase meal costs 35¢ per meal
- S.F. General Hospital - decrease meal costs 15¢ to 25¢ per meal
- Camp Mather - decrease meal costs 35¢ per meal

Your approval of these rates is recommended.

Very truly yours,


Samuel D. Yockey
Controller

SDY:BY:ac(85ADM37-41)

Attachments

1988-89
ESTABLISHED
RATE

1989-90
RECOMMENDED
RATE

1. MEALS

A. Hetch Hetchy Boarding House
(except O'Shaughnessy Guest
Cottage)

Breakfast, per meal \$ 4.00 \$ 4.00

Lunch, per meal 7.00 7.00

Dinner, per meal 12.00 12.00

B. O'Shaughnessy Guest Cottage
and Bunk House

Breakfast, per meal \$ 9.00 \$11.00

Lunch, per meal 12.00 14.00

Dinner, per meal 21.00 23.00

Room, Cottage 25.00 27.00

Room, Bunk house 14.00 16.00

C. Department of Public Health

Breakfast, per meal
Laguna Honda Hospital \$ 3.85 \$ 3.85
San Francisco General Hospital 4.20 3.95

Lunch, per meal
Laguna Honda Hospital 4.80 4.80
San Francisco General Hospital 6.15 6.00

Dinner, per meal
Laguna Honda Hospital 4.40 4.40
San Francisco General Hospital 6.75 6.50

D. Juvenile Court

All Institutions, per meal \$ 3.30 \$ 3.30

E. Recreation and Park - Camp Mather

Per meal \$ 4.15 \$ 3.60

F. Sheriff

All Jails, per meal \$ 1.25 \$ 1.25

	<u>1988-89 ESTABLISHED RATE</u>	<u>1989-90 RECOMMENDED RATE</u>
2. <u>LAUNDRY</u>		
(With the exception of free laundering of uniforms for interns, residents, nurses, kitchen helpers and other employees.) Per pound	\$.36	\$.36
3. <u>ROOM</u>		
San Francisco General Hospital (With the exception of free rooms furnished to interns and residents.)		
Per bi-weekly pay period	\$175.00	\$175.00
Per person per night	\$ 17.50	\$ 17.50

HOUSE OR APARTMENT

Unless otherwise specified, lodging for all facilities except Hetch Hetchy Project, \$50.00 per room per month, or as established by the Director of Property on the request of the Department Head.

BOARD - COST PER MEAL (SEE NOTE)

	<u>ACTUAL COST</u> <u>7-1-88 - 12-31-88</u>	<u>ESTIMATED COST</u> <u>7-1-89 - 6-30-90</u>
Hetch Hetchy Boarding House (except O'Shaughnessy Guest Cottage)	\$15.16	\$ 7.58
O'Shaughnessy Guest Cottage	14.33	16.00
Other Departments and Institutions		
Department of Public Health		
Laguna Honda Hospital		
Breakfast	\$ 3.65	\$ 3.83
Lunch	4.57	4.80
Dinner	4.19	4.40
Average	4.24	4.45
San Francisco General Hospital		
Breakfast	\$ 3.87	\$ 3.95
Lunch	5.84	5.96
Dinner	6.37	6.50
Average	5.41	5.52
Juvenile Court		
Log Cabin Ranch School	\$ 3.14	\$ 3.14
Juvenile Hall		
Average	\$ 3.39	\$ 3.39
Average Cost per Meal- Juvenile Court	\$ 3.27	\$ 3.27

	ACTUAL COST <u>7-1-88 - 12-31-88</u>	ESTIMATED COST <u>7-1-89 - 6-30-90</u>
Recreation and Park		
Camp Mather Average	\$ 3.60	\$ 3.60
Sheriff		
All Jails Average	\$ 1.25	\$ 1.25
<u>LAUNDRY</u>		
San Francisco General Hospital Unit Cost per pound	\$.36	\$.42
<u>LODGING</u>		
San Francisco General Hospital Room - per person per month	\$307.00	\$307.00

Note: Sale of meals by employers to employees are subject to state sales tax. Thus, meals sold to employees by the City and County are subject to 6-1/2% sales tax. The meal cost figures and 1988-89 Annual Salary Ordinance rates stated in the schedules do not include any provision for 6-1/2% sales tax payable by the City to the State.

SDY:BY:ac(85ADM37-41)

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**New Positions Recommended by the Budget Analyst
for Authorization During the
Interim Budget Period Effective July 1, 1989**

Office of the Mayor

347 (323725)	(1) A740 Director of Employee Relations	\$69,448
335 (323097)	(1) 1444 Secretary I	24,504

These new positions would enable the Mayor's Office to perform employee relations functions which were transferred from the Board of Supervisors to the Office of the Mayor by the passage of Proposition F in November, 1988. The new Director would also be able to participate in labor negotiations with uniformed officers of the Police and Fire Department, platform operators of the Municipal Railway and with Registered Nurses during the Interim Budget period.

368 (324012)	(1) 9790 Assistant to the Mayor V	\$55,563
	(1) 9782 Assistant to the Mayor I	23,285
	(1) 1444 Secretary I	24,504

This request would enable these three positions to be filled by July 1, 1989 in order to provide staff support to the Small Business Advisory Commission. Items 17 and 18 of this Finance calendar are separate legislation which would authorize the funding of these positions effective June 19, 1989. We list this exception as a policy matter for the Board of Supervisors.

Controller

325 (309252)	(1) 1864 Systems and Procedures Analyst	\$51,289
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New position to perform various enhancements to the City-wide payroll system which will reduce the operating cost of the system. Two vacant positions have been deleted to fully fund the new position and effect a savings of \$8,340.

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303 (1)	A978 Senior Data Base Administrator	\$59,091
(415101) (1)	A979 Manager, Data Base	76,551

These two new positions would replace contractual service employees at reduced cost to the City. Contractual Services in the amount of \$191,100 has been eliminated from the Controller's Budget which previously funded these contract positions.

Public Administrator/Public Guardian

220 (1) (429506)	2905 Sr. Eligibility Worker	\$27,581
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This position is required for the Public Administrator to realize his projected representative payee revenues for persons in Institutions of Mental Disease (IMD) programs. The position is funded by IMD program revenues.

Registrar

Permanent Salaries - Misc.

464 (1) (430017) (2)	1403S Election Clerk	\$27,200
(1)	A958ES Division Manager	102,051
(1)	1819S Management Information Systems Specialist III	52,566
(1)	1655S System Accountant	41,076

The Department is undergoing reorganization. These staff positions are substitutions for the following existing positions in the budget:

(1)	1129 Chief Deputy Registrar	\$49,327
(1)	1473 Elections Planning Asst. Supervisor	41,655
(1)	1632 Sr. Account Clerk	29,362
(1)	1842 Management Assistant	38,367
(1)	1424 Clerk Typist	24,717
(1)	1414 Elections Supervisor	46,066

The cost to fund the existing positions is \$229,494. The cost to fund the substitute positions is \$222,893 which represents a decrease of \$6,601. The substitute positions are key to the reorganization and need to be hired and trained by early August to prepare for the November 7, 1989 election.

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Temporary Salaries

464 (430017)	1403EA Election Clerks	\$27,200
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These temporary positions are required to prepare for the November 7, 1989 election.

Commission on the Status of Women

584 (1)	A922 Executive Director	\$61,439
(390013) (2)	A994 Commission on Status of Women Specialist	91,246

These positions would replace a 2991 Coordinator position and 1.5 2996 HRC Representative positions in this budget. Legislation is currently pending before the Human Services Committee of the Board of Supervisors to create a Commission on the Status of Women separate from the Human Rights Commission (File 97-89-18). Should the Finance Committee approve an interim budget exception for these positions the funds should be placed on reserve pending the outcome of the Board of Supervisors decision on the creation of a separate Commission on the Status of Women.

Department of Electricity

1070 (1) (425124)	1446 Secretary II	\$27,075
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The Chief Administrative Officer has requested two positions with the Department of Electricity, Secretary II and Staff Assistant VI, be filled by July 1, 1989. The filling of these positions would assist in the conversion of additional Departments to the City's Centrex System and generate a cost savings of more than the cost of the two positions. The Mayor's Office has submitted an amendment to the budget that would eliminate the interim salary savings on one of the two positions (the Secretary II) which would allow the position to be filled effective July 1, 1989. The Budget Analyst recommends that the Finance Committee accept the Mayor's amendment to the budget as submitted to the Board of Supervisors.

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Police Department

197	(1)	1630N Account Clerk	\$ 25,553
(580159)	(1)	8124A Investigator	38,019

These new positions are for the Office of Citizens Complaints and are requested to maintain independence from the Department and to reduce the backlog of complaint investigations.

Department of Social Services

572	(1)	1430N Transcriber	\$27,067
(640194)	(1)	2948N Sr. Social Services Supervisor	56,533
	(1)	9704N Employment and Trng. Spec.	29,414

The proposed budget includes 23 new positions for the GAIN program. The three positions specified above are requested immediately to continue services provided during 1988-89 through the Community College District contract. These positions are 100% State funded and allowing immediate filling during the interim period will assure continuity of services.

Municipal Railway/Maintenance Division

961	(2)	7334I Stationary Engineer (12,280) to 0	\$12,280
	(1)	7335I Sr. Stationary Engineer (6,924) to 0	6,924
962		9993A Salary Savings (1,976,611) to (1,995,815)	(19,204)
(560722)			

The General Manager of the Public Utilities Commission has requested new positions for the Municipal Railway in order to open the Flynn Division on September 1, 1989. The Mayor's Office has submitted an amendment to the budget that would eliminate the interim salary savings for three positions which would allow the positions to be filled effective July 1, 1989. The Budget Analyst recommends that the Finance Committee accept the Mayor's amendment as submitted to the Board of Supervisors.

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Parking Authority

982 (1) (353110)	A005N Director of Parking and Traffic	\$90,000
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The Parking Authority has requested that the position of Director of Parking and Traffic Management be filled on July 1, 1989. This position would be responsible for developing and managing the newly created Department of Parking and Traffic Management, approved by the voters as part of Proposition D in the November, 1988, election. Although the Parking Authority requested this position be funded effective July 1, 1989, the three months of interim salary savings have been included in the Mayor's budget. An adjustment to the Mayor's budget would be required to fill the Director's position during the interim budget period. We list this exception as a policy matter for the Board of Supervisors.

Public Health - Central Office

667 (1) (732461)	A929N HIV Counseling Coordinator	\$46,381
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New position in AIDS program to replace services formerly provided by Professional Services Contract. Corresponding reduction in contractual services.

San Francisco General Hospital

693 (462580)	(1) 1408N Principal Clerk	\$ 27,457
	(1) 1428N Ward Clerk	24,143
	(1) 1446N Secretary II	25,082
701 (462580)	(2) 2320N Registered Nurse	79,135
	(1) 2323P Clinical Nurse Specialist	23,947
702 (462580)	(1) 2328P Nurse Practitioner	32,364
698 (462580)	(1) 2586N Health Worker II	22,081
	(1) 2586P Health Worker II	11,040
699 (462580)	(1) 2593N Health Prog Coordinator II	24,868
	(1) 2624P Dietitian	20,350

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700 (462580)	(1) 2920N Medical Social Worker	\$34,687
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713 (462598)	(1) 2932P Senior Psych Social Worker	17,183
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These new positions were formerly grant funded contract employees who have been added as new Civil Service positions. The costs of these new positions are fully revenue supported from maternal and child health (Margolin) funds and approving the positions during the interim will assure continuity of service.

694 (462580)	(1) 1655N System Accountant	\$42,933
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695	(2) 2114N Med Records Technician	\$68,135
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697 (462580)	(1) 2409N Pharmacy Technician	30,610
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These are revenue supported positions assigned to hospital finance.

701 (462580)	(2) 2322N Head Nurse	\$86,966
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702 (462580)	(1) 2368N Asst Director, Nursing	55,202
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These positions are to enhance the utilization review program and provide overall utilization management of discharge and admissions in order to reduce the number of decertified patient days (i.e. medically indigent patients for whom no reimbursement is received by the hospital). Improved utilization is also needed, according to the SFGH staff, to assure revenue to allow the expansion of staffed patient beds to the desired level of 382. A 10% decrease in average decertified patient days, will save \$1.3 million annually according to SFGH estimates.

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693 (1) (462580)	1450N Secretary Clerical support for Medical Staff Accreditation Committee.	\$29,615
700 (1) (462580)	8204N Institutional Police Officer To improve security for registered nurses.	\$32,032
720 (443010)	(5) A985N Clinical Paramedic Supervisor (1) A985P Clinical Paramedic Supervisor (28) 2532N Paramedic	213,237 21,324 1,009,232

The Controller has certified increase Emergency Medical Service revenues of approximately \$1.7 million for 1989-90 to support the expansion of these services. Approval of these positions during the interim period will allow the phase in to begin. The Mayor's recommended budget includes a \$700,000 increase in salary savings for the phase-in in lieu of interim salary savings for the new positions detailed above.

Community Mental Health Services

753 730515	(3) 2574P Clinical Psychologist	\$ 100,412
753 (730515)	(1) 2589N Health Program Coord. (1) 2930(p) Psychiatric Social Worker	\$ 39,489 17,757

These new, 4 part time and one full time positions, equivalent to approximately four full time equivalents, are to assist in absorbing client caseload that must be redistributed due to the closing of two outpatient counseling clinics and the re-structuring of an adult day care clinic. The net savings, after consideration of the new positions, is \$230,000 due to the consolidation. The consequence of not approving these new positions during the interim period is, according to CMHS, that approximately 250 clients will not be served.

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Community Mental Health Services - Forensics

764 (441055)	(1) 2230P Physician Specialist	\$ 58,509
765 (441055)	(1) 2409P Pharmacy Technician	\$14,193
	(1) 2450P Pharmacist	23,947
766 (441055)	(3) 2320N Registered Nurse	\$120,960
	(1) 2323P Clinical Nurse Specialist	39,600

We are informed by the City Attorney's Office and the CMHS that these positions are necessary to conform to the Court's Special Master 10th report issued in March, 1989. This report requires greater compliance with Title XV California Code requirements for Jail Health Services at County Jails #2 and #3 (at the Hall of Justice). These requirements relate to dispensing and dosing medication, working within the scope of professional licenses and the need for Physician review of all verbal orders within 24 hours. Additionally, the Special Master's latest report requires re-writing of procedures for pharmacy and medication practices and creation of a Nursing Training position (Clinical Nurse Specialist) for the 120 full and part time nurses working in Jail Medical Services. According to the Department, the Special Master has required that these positions be in place as of July 1, 1989.

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Water Department

1045 (1)	020 Temporary Salaries	\$53,266
(387019)		

The Department reports that the current General Manager is retiring effective June 30, 1989, and that he has 137 days of vested sick leave and vacation credits for which he is entitled to compensation. A vacancy in the position for an extended length of time would impede the operation of the Department. This interim exception would allow the immediate filling of the position effective July 1, 1989 without a separate resolution of the Board of Supervisors.

PUC - General Manager

1031 (1)	020 Temporary Salaries	\$79,350
(561597)		

The PUC reports that the current General Manager is retiring effective July 26, 1989, and that he has 168 days of vested sick leave and vacation credit for which he is entitled compensation. The requested funds would permit immediate filling of the position, enabling continuous management of the PUC.

PUC - Bureau of Management Information Systems

1024 (2)	1874I Senior Programmer (\$13,350) to 0	\$13,530
(561183) (1)	1876I Data Processing Programmer (\$7,861) to 0	7,861

The PUC reports that the requested funds are required for the above three positions since their functions have been fulfilled under outside consultant contracting funds which are being deleted in the 1989-90 budget. Therefore, approval of these three positions, effective July 1, will enable services to continue with no increase in costs.

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Juvenile Court

77	(1)	8316 Assistant Counselor	\$ 21,598
(319558)	(13)	8320 Counselor, Juvenile Hall	360,573

These positions must be in place July 1, 1989 to avoid legal action against the City due to conditions at the Juvenile Hall (YGC).

Juvenile Court

67	(1)	8320N Counselor - Juvenile Hall	\$28,392
(319509)			

An 8320 Counselor has been on loan from the Juvenile Hall Division to the Probation Division to transport youth to new placements as soon as they become available. This new position continues that function, while allowing the Juvenile Hall Division Counselor to return to Juvenile Hall. The function is part of an effort to reduce Juvenile Hall overcrowding.

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(Project No.)

**Capital Improvements Recommended
by the Budget Analyst
for Authorization During the Interim Budget
Period Effective July 1, 1989**

General Fund

1248 (73301)	Asian Art Museum HVAC renovation project	\$130,000
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The Asian Art Museum has requested \$534,700 in 1989-90 to fund Phase 2 of their Heating, Ventilation, and Air Conditioning system renovation project. However, Cal Malone of the Capital Improvements Advisory Committee has recommended a release of \$130,000 to fund an unexpected Phase 1 (1988-89) construction contract bid cost of \$640,000, which totalled \$130,000 over the project cost estimate. The \$130,000 is needed to accept the low bid and begin construction.

Open Space Fund

1271 (6710)	<u>Tenderloin Playground</u>	\$500,000
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The project is currently the highest development priority within the Department. In order to complete the acquisition, this \$500,000 will have to be in place. A delay of even several months could jeopardize the project.

1271 (64501)	<u>Sutro Annex</u>	\$500,000
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This acquisition is close at hand. The Board has already approved acquisition. This year's allocation will be necessary to provide the funding required to pay the School Department for the 99-year lease for a multipurpose recreation center.

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Open Space Fund (continued)

1271 (66901)	<u>South of Market Park</u>	\$2,500,000
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Negotiations for the acquisition of this parcel are at an extremely delicate point. For a successful resolution, it will be important to be able to move quickly. Having the monies available could make a major difference.

1271 (22901)	<u>Le Conte Avenue Park Design</u>	\$58,336
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(Includes other design components) - This parcel of land was deeded to the Department as a mitigation factor in conjunction with a PUD below the Bayview Hill Park. The project is under construction. It is important to have early design for grading and utilities placement.

1271 (23001)	<u>Mission Pool</u>	\$400,000
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This project was fast-tracked because of the major negative impact of having a pool down for an extended period. The design is completed and ready to go to bid. Funds must be available and certified in order to award bid.

1271 (62901)	<u>Michaelangelo Playground</u>	\$100,000
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The design of this project is completed and construction is awaiting award.

1271 (23101)	<u>Access Study/Implementation</u>	\$50,000
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This handicapped accessibility survey is required under Section 504 of the Federal Rehabilitation Act. It is scheduled to commence in July. The contract is currently being drawn up and a delay in the receipt of funding will jeopardize the agreement with the Department of Interior to have the study completed by December 1989.

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1272
(61601)

Candlestick Park Fund

\$3,000,000

The final project involves \$3 million in Stadium Fund monies for the construction of five new boxes and the installation of 800 new grand stand seats at Candlestick Park. The award of the contract for this work is pending, and it is imperative that the work proceed expeditiously.

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**Equipment Recommended
by the Budget Analyst
for Authorization During the Interim Budget
Period Effective July 1, 1989**

Public Works/Traffic Engineering

1246	90157Y Pavement Marking Truck w/Com radio	\$76,000
(778001)	90161Y Thermoplastic Melter	14,000

The Department requires this equipment in order to comply with the mandate from the Bay Area Air Quality Management District which bans the sale of oil-based paints in Bay Area counties effective September, 1987. The Bureau of Traffic Engineering has a six month supply of such paint and is converting to the use of thermoplastic markings. In order to make this conversion and to properly mark streets in a timely manner during good weather, the new truck and thermoplastic melter must be purchased and put into operation before the winter season. An existing truck and wornout thermoplastic melter will be replaced by the new equipment. There will be no net addition to the City's fleet.

Registrar of Voters

466	<u>Equipment</u>	
(430017) (1)	80004Y Laser Printer	\$20,600

The laser printer allows for bar coding of election material and would reduce the amount of data entry work. The printer is required to support the election preparation process.

Public Health - Central Office

618	8	3127Z Mainframe	\$ 306,207
(733881)			

Release funds for mainframe computer on order and scheduled for delivery in July.

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Sheriff

35	06001Z 20 PIC Radios	\$20,000
(306589)	06002Z 50 Protective Vests	20,000
	06004Z 1 Gas Dryer	18,000

PIC radios and protective vests are needed immediately to insure the safety of Sheriff's Department staff. The gas dryer is necessary to maintain an adequate supply of clothing for prisoners.

District Attorney - Family Support

18	04901Y Automotive Vehicle	\$11,000
(303610)	04903Z DP/WP Equipment	35,000

Equipment eligible for full reimbursement from Federal government. Reimbursement rate is expected to be reduced in September, 1989 resulting in greater cost to the City. Therefore, the equipment should be ordered, on an expedited basis, during the interim budget period.

Item 4 - File 101-88-136

Department: Department of Public Health (DPH),
Central Office

Item: Supplemental Appropriation Ordinance

Amount:	Temporary Salaries - Miscellaneous	\$2,599
	Temporary Salaries - Nurses	1,999
	Mandatory Fringe Benefits	<u>1,090</u>
	Total Supplemental Appropriation	\$5,688

Source of Funds: Reappropriation of previously budgeted Public Health -
Central Office General Fund monies as follows:

Medi-Cal/Revenues	\$4,915
Retirement	<u>773</u>
	\$5,688

Description: 1. The proposed Supplemental Appropriation Ordinance would appropriate funds for Temporary Salaries and Mandatory Fringe Benefits for a State-funded project that provides perinatal services to low income women. The perinatal project is presently staffed by seven positions (1.40 FTEs) as follows:

No.			Proposed	Annualized
<u>Positions</u>	<u>Class/Title</u>	<u>FTE</u>	1988-89 <u>Amount</u>	1988-89 <u>Amount</u>
<u>Temporary Salaries - Miscellaneous</u>				
1	2230 Physician Specialist	0.31	\$1,021	\$22,364
1	2587 Health Worker III	0.10	216	2,401
1	2624 Dietician	0.23	704	7,846
2	2922 Senior Medical Social Worker	0.20	<u>658</u>	<u>7,287</u>
	Total Temporary Salaries-Misc.		\$2,599	\$39,898
<u>Temporary Salaries - Nurses</u>				
2	2320 Registered Nurse	0.56	1,999	22,257
<u>Mandatory Fringe Benefits</u>				
			<u>1,090</u>	<u>14,731</u>
Total		1.40	\$5,688	\$76,886

2. DPH reports that recent State legislation (SB 2579) has converted the source of funding for the perinatal project from grant funds to fee-for-service billing, which will be reimbursed by new Medi-Cal revenues.

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Comments: In response to Budget Analyst inquiries regarding projected DPH expenditures for the remainder of the 1988-89 fiscal year, the DPH has determined that the DPH will address the seven positions in the 1989-90 budget review process. Therefore, the DPH requests that the proposed Supplemental Appropriation Ordinance be tabled.

Recommendation: Table the proposed Supplemental Appropriation Ordinance as requested by the DPH.

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Items 5 and 6 - Files 101-88-137 and 102-88-49

Department: Department of Public Health (DPH)
San Francisco General Hospital (SFGH)

Proposed Actions: Supplemental Appropriation Ordinance for permanent salaries and mandatory fringe benefits for the creation of 23 positions, and for Overtime and for Professional Services. Because the SFGH has incurred costs for professional (radiology registry) services beyond amounts appropriated for this purpose, the Supplemental Appropriation Ordinance provides for the ratification of action previously taken.

Annual Salary Ordinance amendment reflecting the addition of 23 new positions (File 102-88-49).

On April 25, 1989, the Mayor approved the 23 positions requested. However, only 18 of the 23 positions are recommended as new positions in the Mayor's 1989-90 proposed budget for SFGH.

Amount: \$175,793

Source of Funds: Reappropriation of SFGH Operating Fund monies previously budgeted for permanent salaries and fringe benefits.

Description: 1. The proposed amendment to the 1988-89 Salary Ordinance (File 102-88-49) would add 23 new positions. The proposed amendment, to be approved at a future meeting of the Civil Service Commission, is as follows:

<u>Action</u>	<u>No.</u>	<u>Class/Title</u>	<u>1988-89 Biweekly Salary</u>	<u>1988-89 Annual Salary</u>
Add	2	2409 Pharmacy Technician	\$984 - \$1,191	\$25,682 - \$31,085
Add	2	2119 Health Care Analyst	1,394 - 1,690	36,383 - 44,109
Add	1	2112 Medical Records Technician	925 - 1,120	24,143 - 29,232
Add	10	1404 Clerk	697 - 842	18,192 - 21,976
Add	5	2110 Medical Records Clerk	822 - 994	21,454 - 25,943
Add	1	2427 Radiologic Technologist III	1,073 - 1,298	28,005 - 33,878
Add	1	2822 Health Educator	1,407 - 1,706	36,723 - 44,527
Add	1	1406 Senior Clerk	755 - 912	19,706 - 23,803

At the fifth step, the 23 positions to be added would cost \$631,303 annually in salaries at 1988-89 rates of pay, plus approximately \$157,000 annually in mandatory fringe benefits.

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2. The proposed Supplemental Appropriation (File 101-88-137) would appropriate \$175,793 for Permanent Salaries and Mandatory Fringe Benefits for the period May 1, 1989 through June 30, 1989 to fund the proposed addition of 23 positions listed in point 1, above, and for Overtime and Professional Services, as follows:

SFGH - Acute Operations

Permanent Salaries - Misc.	\$96,100
Retirement	24,026
Overtime	15,667
Professional Services	<u>40,000</u>
Total	\$175,793

Analysis:

1. The DPH is requesting the 23 positions at SFGH in order to meet accreditation and licensing standards in preparation for the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) survey of the SFGH this fall. The SFGH Self-Accreditation Committee of the medical staff have determined that the proposed 23 additional positions are necessary to meet JCAHO standards and criteria. The SFGH reports that during the 1986 accreditation survey, 74 percent of the items cited by the JCAHO were quality assurance issues. The SFGH anticipates that the JCAHO will focus on quality assurance this year as well. Specifically, the areas of need are as described below.

2. SFGH Service Areas and Positions to meet JCAHO Standards

PHARMACY ADMINISTRATION

2409 Pharmacy Technician

Two Pharmacy Technician positions are requested for the Outpatient Pharmacy to allow the three existing Supervising Pharmacists to perform critical accreditation related activities, such as drug use evaluations, quality assurance audits, medication area inspections, compliance with standards on drug distribution and administration, and staff development.

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QUALITY ASSURANCE

2119 Health Care Analyst

Two Health Care Analyst positions are requested for activities related to medical staff quality of care screening. These activities have been the predominant focus of the JCAHO survey this year. These two positions would also monitor and assist ancillary departments with their quality assurance programs. The SFGH currently has one Health Care Analyst.

2112 Medical Records Technician

One position is requested to perform quality assurance activities in the Outpatient Department, such as:

- (1) Problem list review which, according to JCAHO Standards, should be conducted quarterly for outpatient clinics, yet is only being done annually because of limited staff time;
- (2) Audit and reporting on five clinical indicators semi-annually (now only conducted annually); and
- (3) Provision of technical support to all clinics in completing 20-25 quality assurance studies this year.

HOSPITAL ADMINISTRATION - ACUTE

2822 Health Educator

One position is requested to meet the demands of an increased workload for health education which has been expanded to provide specifically mandated employee training as well as to extend health education services to the inpatient units. According to SFGH, the JCAHO considers training activities to be of vital importance. The SFGH currently has two Health Educators.

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PLANT SERVICES

1406 Senior Clerk

One position is requested to assist the Department in meeting the reporting and documentation standards of the JCAHO. Currently, there is only one Junior Clerk to support 48 positions in Plant Services. Engineering managers and supervisors are performing all clerical work, answering 60 to 70 telephone calls per day, preparing computerized accounting of expenditures and filing equipment and maintenance reports. Therefore, many maintenance reports do not get filed or written due to lack of clerical support in this division.

MEDICAL RECORDS

Fifteen (15) Medical Records positions are requested for a variety of functions related to accreditation by JCAHO. Some deficiencies cited by the State in 1984 have still not been fully corrected because of lack of staff. The 15 positions would be used as follows:

1404 Clerk - 10

- 2 Purge files
- 1 Evening staff for scheduled clinics
- 2 Correct and maintain complete files
- 1 File pathology and operative reports
- 3 Supplemental staff for drop-in and evening clinics
- 1 Assist with Emergency Room analysis

2110 - Medical Records Clerk - 5

- 4 Perform outpatient analysis
- 1 Perform Emergency Room analysis

The SFGH currently has 90 FTE Clerks and Medical Records Clerks.

RADIOLOGY

2427 Radiologic Technologist III

One position is requested to develop, implement and maintain a comprehensive quality assurance plan for the Radiology Department. The on-going activities include auditing, tracking and follow-up duties for which the existing supervising radiologists do not have time.

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OVERTIME AND PROFESSIONAL SERVICES

The DPH has also requested overtime SFGH radiologic technologists to supplement existing staffing due to a 20 percent vacancy rate in the Radiology Department. However, the Board of Supervisors has recently approved a supplemental appropriation for SFGH overtime (File 101-88-127) which the DPH advises is sufficient to cover the \$15,667 overtime requested in this supplemental appropriation. Therefore, according to DPH, the proposed \$15,667 for Overtime is no longer necessary.

Professional Services are requested for radiology registry services, which are temporary employment agencies for radiologic technologists. The DPH reports that the original request for \$40,000 for Professional Services - Radiology Registry should be reduced by \$20,000 to \$20,000 for 1,392 hours of radiology registry services from the period May 1, 1989 to June 30, 1989.

Comments:

1. As noted above, the SFGH has been using radiology registry services since May 1, 1989. Therefore, the proposed Supplemental Appropriation Ordinance would provide for ratification of action previously taken in order to allow the DPH to pay for the services retroactively.
2. According to Mr. Phil Sowa, Executive Director, SFGH, these "critical" positions are requested now, in advance of consideration of the 1989-90 budget because it will afford the hospital with a 30-day head start on requisition processing, recruitment and hiring in contrast to the time required if the new positions were to be approved as exceptions to the 1989-90 interim appropriation ordinance. Moreover, according to the Executive Director, approval of these ordinances in advance of the 1989-90 budget would constitute an act of good faith on the part of the Hospital and City administration, thus improving credibility with the SFGH Medical Staff and the JCAHO.
3. As stated above, in the 1989-90 Mayor's Proposed Budget, only 18 of the 23 requested positions have been approved. The positions that were disapproved include four of the ten 1404 Clerk positions and the one 2822 Health Educator position. Therefore, the SFGH agrees that inclusion of the five disapproved positions in this 1988-89 supplemental appropriation is not necessary. The proposed amendment to the 1988-89 Salary Ordinance (File 102-88-49) should be amended as follows:

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<u>Class/Title</u>	<u>Proposed No. of Positions</u>	<u>Recommended No. of Positions</u>	<u>Reduction</u>
2409 Pharmacy Technician	2	2	0
2119 Health Care Analyst	2	2	0
2112 Medical Records Clerk	1	1	0
1404 Clerk	10	6	4
2110 Medical Records Clerk	5	5	0
2427 Radiologic Technologist III	1	1	0
2822 Health Educator	1	0	1
1406 Senior Clerk	<u>1</u>	<u>1</u>	<u>0</u>
Total	23	18	5

4. The proposed supplemental appropriation of \$175,793 was based on 23 positions being filled for the period May 1, 1989 to June 30, 1989. The earliest that the 18 approved positions could be filled is June 20, 1989. Therefore, the proposed supplemental appropriation should be reduced by \$136,480 from \$175,793 to \$39,313 for 18 positions for the period June 20 to June 30, 1989 and for Professional Services - Radiology Registry for the period May 1 to June 30, 1989 as follows:

	<u>Proposed Supplemental Appropriation Ordinance</u>	<u>Proposed Supplemental Appropriation Ordinance as Amended</u>	<u>Savings</u>
<u>Proposed Source of Funds</u>			
Permanent Salaries - Misc.	\$151,767	\$35,637	\$116,130
Retirement	<u>24,026</u>	<u>3,676</u>	<u>20,350</u>
Total	\$175,793	\$39,313	\$136,480
<u>Proposed Use of Funds</u>			
Permanent Salaries - Misc.	\$96,100	\$15,637	\$80,463
Retirement	24,026	3,676	20,350
Overtime	15,667	0	15,667
Professional Services	<u>40,000</u>	<u>20,000</u>	<u>20,000</u>
Total	\$175,793	\$39,313	\$136,480

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- Recommendations:**
1. Amend the Supplemental Appropriation Ordinance (File 101-88-137) to reduce the amount of the appropriation by \$136,480 from \$175,793 to \$39,313 as detailed in comment 4 above.
 2. Amend the ordinance amending the Annual Salary Ordinance (File 102-88-49) to reflect the deletion of five of the 23 requested positions as detailed in comment 3.
 3. Based on the recommendation of the SFGH Self-Accreditation Committee of the medical staff and the supporting information provided by the SFGH administration, approve the proposed ordinances as amended.

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Item 7 - File 186-89-13

1. The proposed resolution would adopt a sliding scale and billing fee policy for San Francisco General Hospital and District Health Centers. This legislation is in effect a policy declaration concurring with the Health Commission's adoption of a similar resolution. The Health Commission reports that the primary purpose of this new billing policy is to act on the problem of patients receiving free medical care at San Francisco General Hospital and District Health Centers based on questionable statements of income. The Commission adds that the policy has been formulated in consideration of "...equity for all groups of patients, access to care, need to improve collections, community concerns, ability to control inappropriate utilization, policies of neighboring counties, consideration of current billing systems, and ease of implementation." During April, 1989 the Board of Supervisors adopted a resolution that enacted revised rate schedules for health care facilities to become effective July 1, 1989. This proposed resolution would, if approved, prescribe a policy for implementing the revised fee schedule and provide a sliding scale for persons who may not have paid for medical services in the past. This policy does not apply to certain patients of the system for whom health services are paid by private insurance carriers or Medicare. Low income persons who meet medically indigent or MediCal income criteria will continue to receive the services at no charge.

2. The Attachment to this report describes the procedures for minimum billings, residency requirements, asset and income verification, eligibility and exclusions from the sliding scale. A table is included in the Attachment displaying patient charges in relation to family sizes and net monthly income. The Department of Public Health states that the advantages of this policy are as follows:

- Patient payment would be encouraged, by addressing the image of totally-free medical services and verifying statements of income and assets. The Department feels that a reasonable charge would improve overall collections.
- Access to care will not be impaired as the policy will be easy to explain, multi-lingual information handouts will be provided and on-site eligibility workers will be available for discussion of payment plans or billing adjustments.
- The policy will be compatible with existing billing procedures.
- The sliding scale and billing fee policy will encourage patients to cooperate with seeking third party reimbursement, such as MediCal and private insurance, and control the provision of services to non-San Francisco residents.

Recommendation

The proposed resolution is a policy matter for the Board of Supervisors.

BOARD OF SUPERVISORS
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DEPARTMENT OF PUBLIC HEALTH

Changes in Federal and State regulations have made it possible for the Department of Health to standardize department policies on determining appropriate sources of revenues. Considerations included in shaping this policy are as follows:

- equity for all groups of patients
- access to care
- need to improve collections
- community response
- ability to control inappropriate utilization
- policies of neighboring counties
- consideration of current billing systems
- ease of implementation

The policy of a sliding scale fee structure does not apply to many patients of the system, because they or their insurance will pay fee-for-service billing rates. Groups not included would be the following:

- private insurance
- Medicare

Inpatient/Come-and-Go Procedures

For inpatient and Come-and-Go procedures, there is a sliding scale with minimum charge of \$100 for all San Francisco residents without full third-party coverage. The \$100 minimum would be waived for persons with verified General Assistance and Medi-Cal with no share of cost. Where income exceeds a certain level, the sliding scale fee increases with each additional \$100 in income. The Medi-Cal/MIA maintenance need income is the point to start increases. The liabilities would be reasonable enough to encourage payment, would increase the numbers of patients paying deposits for Elective and Come-and-Go procedures, and would be applied equitably to all patients regardless of residence status or other coverage.

Outpatient and Emergency Room Visits

A flat rate of \$20 per month per person up to net income levels of \$1500 is charged for outpatient and emergency room visits. This rate would apply to patients with no coverage and patients with other coverage that has deductibles. Patients with income above \$1500 would receive a full bill or be responsible for full deductibles. The fee would be waived for verified GA and Medi-Cal with no share of cost. The \$20 fee would cover all services received by a patient in the outpatient clinic during a month. A separate \$20 fee would be charged for an ER visit.

To be eligible for the SFGH sliding scale, the following criteria must be met by the patient:

San Francisco Residence

Elective Procedures

- o California driver's license or non-driver's ID with a San Francisco address.
- o Bills or correspondence sent to San Francisco address prior to registration date.

Failure to provide valid identification may result in delay or denial of service.

Emergency Admissions

- o Identification with San Francisco address (see above).

-or-

- o Patient's statement of San Francisco address at time of admission. Exception: Persons with valid tourist visas are not considered San Francisco residents for purposes of applying the sliding scale.

Assets and Property within Medi-Cal/MTA Limits

Verification required whenever possible

Elective Procedures

- o Bank books, bank statements, etc.

Emergency Admission

- o Bank books, bank statements whenever possible.

-or-

- o Patient's statement.

Income Verification

Elective Procedures

- o Wage stubs, income tax returns, statement from employers, copies of checks, room and board statements.

Inpatient Emergency

- o Wage stubs or other verification whenever possible.

-or-

- o Patient's statement.

Cooperation in Obtaining Third-Party Reimbursement

(Example: Medi-Cal, CCS, Worker's Compensation, Victims Program, auto or liability insurance).

The recent expansion of the Medi-Cal Program to provide benefits to documented and undocumented aliens will increase the numbers of patients referred for applications.

Eligibility workers will explain to patients that they are eligible for a share of cost on the sliding scale only if they have provided proof of compliance with third-party reimbursement programs. Third-party coverage could reduce their inpatient share of cost to less than \$100 in some cases.

ELIGIBLE PATIENTS

If the preceding criteria are met, the sliding scale (Exhibit A) can be used to assign a patient liability to the following:

- o MIA patients.
- o Patients on Medi-Cal with a share of cost. Patient's liability to SFGH can be based on the sliding scale if that is lower than Medi-Cal share of cost.
- o Certain documented aliens: Newly-legalized aliens, PRUCOL category aliens (permanently residing under color of law).
- o Undocumented aliens.
- o Patients with insurance or other coverage that does not cover the entire bill. Eligibility worker can assign a sliding scale fee for the balance of the bill.
- o Patients who might be linked to Medi-Cal but would have a share of cost exceeding estimated charges resulting in no reimbursement from Medi-Cal.

EXHIBIT A
SAN FRANCISCO GENERAL HOSPITAL MEDICAL CENTER
SLIDING SCALE FOR SAN FRANCISCO RESIDENTS

To be used for Inpatient Emergency, and Elective,
Come and Stay and Come and Go Procedures
Normally approved by Medi-Cal

DRAFT

Family Net Monthly Income	Liability Per Person Per Episode of Service									
	Number of Family Members Dependent of Income									
Gross Minus Mandatory Deductions	1	2	3	4	5	6	7	8	9	10
\$0-499	100	100	100	100	100	100	100	100	100	100
500-599	100	100	100	100	100	100	100	100	100	100
600-699	110	100	100	100	100	100	100	100	100	100
700-799	120	100	100	100	100	100	100	100	100	100
800-899	130	110	100	100	100	100	100	100	100	100
900-999	140	120	110	100	100	100	100	100	100	100
1000-1099	150	130	120	100	100	100	100	100	100	100
1100-1199	160	140	130	110	100	100	100	100	100	100
1200-1299	180	150	140	120	110	100	100	100	100	100
1300-1399	200	160	150	130	120	100	100	100	100	100
1400-1499	220	180	160	140	130	110	100	100	100	100
1500-1599	240	200	180	150	140	120	100	100	100	100
1600-1699	260	220	200	160	150	130	110	100	100	100
1700-1799	280	240	220	180	160	140	110	100	100	100
1800-1899	300	260	240	200	180	150	120	110	100	100
1900-1999	350	280	260	220	200	160	130	120	110	100
2000-2099	425	300	280	240	220	180	150	140	130	120
2100-2199	500	350	300	260	240	200	160	150	140	130
2200-2299	600	425	350	280	260	220	180	160	150	140
2300-2399	700	500	425	300	280	240	200	170	160	150
2400-2499	850	600	500	350	300	260	220	180	170	160
2500-2599	1000	700	600	425	350	280	240	200	180	170
2600-2699	1150	850	700	500	425	300	260	220	200	180
2700-2799	1300	1000	850	600	500	350	280	240	200	180
2800-2899	1500	1150	1000	750	600	425	300	260	240	220
2900-2999	1800	1300	1150	850	700	500	350	280	260	240
3000-above	Full bill	1500	1300	1000	850	600	425	300	280	260

EXCLUSIONS FROM SLIDING SCALE

- o Persons on valid tourist or business visas--they do not meet San Francisco residency requirement.
- o Maternity Package patients. The fees for maternity package are based on a special scale for that program.
- o Therapeutic Abortions. The policy is to collect \$160 deposit for all patients who are not eligible for Medi-Cal. \$110 of this amount is paid to UC Professional Services, \$50 is paid to SFGH. Any patient who appears to be Medi-Cal eligible will be referred to apply.
- o Patients receiving psychiatric services. Eligibility workers will continue to use the UMDAP Mental Health Scale for patients covered under the Short-Doye Program.
- o Non-medically necessary covered and cosmetic procedures. Patients responsible for the full bill.

Item 8 - File 101-88-141

Department:	Department of Public Health (DPH) Aids Epidemic and Prevention Service	
Item:	Supplemental Appropriation Ordinance	
Amount:	Temporary Salaries	\$10,845
	Other Current Services	10,000
	Rental of Property	<u>20,103</u>
	Total Supplemental Appropriation	\$40,948
Source of Funds:	Permanent Salaries	\$ 7,770
	Temporary Salaries	24,953
	Retirement	<u>8,225</u>
	Total Funds to be Reappropriated	\$40,948
Description:	The proposed ordinance would reappropriate funds for (a) temporary salaries for an Assistant Director for Clinical Services and a Senior Health Planner for the remainder of 1988-89, (b) unbudgeted moving expenses to consolidate the AIDS Office, and (c) additional rent for the new AIDS Office location due to an unanticipated overlap in rent required for the old and new locations.	
Comments:	In response to Budget Analyst inquiries regarding projected DPH expenditures for the remainder of the 1988-89 fiscal year, the DPH has determined that the DPH will address the two positions during the 1989-90 budget review process, and the moving expenses and additional rent will be covered by surplus DPH funds. Therefore, the DPH requests that this item be tabled.	
Recommendation:	Table the proposed supplemental appropriation ordinance as requested by the DPH.	

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Item 9 - File 38-89-14

1. The proposed resolution would authorize the Department of Public Health (DPH) to accept gifts of two buses from the Freewheelers Association for use by the patients of Laguna Honda Hospital (LHH). One bus is new, valued at \$65,000, and the other bus is four years old, valued at \$65,000 less depreciation of four years.

2. The DPH has indicated that these buses would be used to take Laguna Honda Hospital patients on recreational outings. The buses are equipped with electric ramps to accommodate wheelchairs. The DPH reports that the two new buses would replace existing LHH buses that are used for these outings which are 10 and 12 years old. According to Mr. Leo Walsh of LHH, the 12-year old bus will be discarded and the 10-year old bus will be kept as a back-up bus.

3. Mr. Walsh reports that the FY 1988-89 maintenance costs for the 12-year old bus was \$3,200 and \$2,900 for the 10-year old bus. LHH anticipates that the two new buses will reduce the annual maintenance costs for LHH.

Recommendation

Approve the proposed resolution.

Item 10 - File 101-88-159

Department: Department of Public Health - Community Public Health Services (DPH-CPHS)

Item: The proposed ordinance, a supplemental appropriation, would re-appropriate 1988-89 budget savings from permanent salaries and related mandatory fringe benefits to medical services contracts and data/word processing equipment maintenance.

Amount: \$179,129

Source of Funds: Fiscal year 1988-89 budget savings - unspent permanent salaries and related mandatory fringe benefits.

Description: 1. Funds would be appropriated for the following purposes:

\$ 84,610 Medical Services Contract (for start-up costs to begin a residential program for crack-addicted pregnant women; operating costs for the program are included in the Mayor's proposed 1989-90 budget)

94,519 Data/Word Processing Equipment Purchase

\$179,129 Total appropriation

2. The Mayor's proposed 1989-90 budget for DPH-CPHS includes \$250,000 to fund operating expenditures for a residential program for crack-addicted pregnant women. The DPH-CPHS proposes to operate the program through a medical services contract. The contractor has not yet been selected, and the contract and budget must be approved by the Health Commission once funds have been appropriated in the final 1989-90 budget. DPH-CPHS is presently negotiating with the Children's Home, Inc. as the potential service provider for this program.

Because the requested supplemental appropriation involves a new, 100% City-funded service that has not yet been approved in the 1989-90 budget, the Budget Analyst requested a program plan and preliminary contract budget that will be subject to Commission approval. Florence Stroud, Deputy Director of Public Health, has provided a memorandum, included as Attachment 1 to this report, detailing such information.

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3. A location has been selected for the program, 741 Valencia Street, which would be leased by the medical service contractor. The \$84,610 in medical contract expense requested in this supplemental appropriation is to provide start-up funds to perform site renovation so that the leased property meets State standards for residential treatment facilities, to fund two full time contract staff for one month, and to acquire furnishings for the facility. The total cost of the renovation, for such items as sprinkler and fire systems, electrical wiring, plumbing, framing and finish carpentry to divide the space into ten bedrooms and acquire kitchen systems, is estimated to be \$142,330 and details of the estimate are shown in Attachment 1.

Attachment 2 to this report details the \$84,610 request in medical contract expense included in this legislation, summarized as follows:

\$45,000	Renovations
5,750	Two full time contract staff for one month
31,160	Furnishings and Equipment
<u>2,700</u>	Office Supplies
\$84,610	

As noted in Attachment 2, \$45,000 is to provide an advance to the Valencia Street lessor in order to begin renovation. The cost of the proposed renovation would be deducted from rental costs to the City.

4. The proposed supplemental appropriation also requests \$94,519 for a data processing equipment purchase. Of this total, \$87,544 would procure equipment for the proposed new Health Center Management System. The remaining \$6,975 would be to purchase equipment for a new Home Health System. These costs represent only a small portion of the implementation and operating costs for each of the two new systems. No other funds have been appropriated for the Health Center Management System or the Home Health System. However, the Mayor's proposed 1989-90 budget includes \$100,000 to purchase equipment in order to begin implementation of the Health Center Management System for two of the City's health centers. The Mayor's proposed budget includes no additional funds needed for the Home Health System. The two new information systems are discussed separately below.

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Health Center Management System

According to the Department of Public Health Management Information System Three Year Master Plan, the Health Center Management System is designed to automate patient ID tracking, fee collection, mandated statistics, patient scheduling and State mandated reporting requirements and provide the means to integrate public health data into one database for reporting and statistical analysis. Ultimately, the system is intended to serve the five public health centers, the Tom Waddell Clinic, and two additional primary care health clinics previously administered by the San Francisco Medical Center Outpatient Improvement Program (SFMCOIP), the Southeast Health Center and the Potrero Hill Health Center.

The five public health centers report approximately 100,000 patient visits per year. A significant change in public health policy funded in the Mayor's 1989-90 proposed budget is the proposed provision of primary care services on a fee-for-service basis at the health centers. These new services, which will cost an additional \$795,000 in 1989-90, are intended to be fully revenue supported, from MediCal/Medicare, third party insurance and patient direct pay sources. The Mayor's budget proposes \$750,000 in expenditure reserves that would not be released until offsetting revenues are proven.

The Health Center Management System, besides providing public health information and reporting and improving efficiencies in such areas as patient scheduling, is described as necessary for revenue collections to support existing and new health center and health clinic services. The estimated one time cost of implementation of the system for seven health clinics is \$640,000 in equipment, software, contractor and installation expenses. Recurring operating expenditures for personnel and system maintenance are estimated to be \$189,000 annually in current dollars.

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As reported above, the Mayor's 1989-90 proposed budget includes \$100,000 for data processing equipment purchase to install the Health Center Management System at two of the seven health centers and clinics. Other implementation expenses are included in the DPH Administration Management Information Services budget. This proposed supplemental appropriation includes an additional \$87,544* for equipment to install the system at one additional health center and a mainframe disk drive to provide data storage for up to four clinic locations.

Home Health Information System

This is a personal computer based system that is intended to provide patient registration, billing, case management, resource scheduling and mandated statistical reports for the Department of Public Health, now certified as a home health agency.

The \$6,975* in equipment for the Home Health Information System requested in this supplemental appropriation is only a small portion of its cost of implementation. Additionally, the DPH master plan estimates that approximately \$50,000 in contractor and software expense is needed for development and installation. This additional \$50,000 expenditure is not budgeted in either the current 1988-89 budget or the Mayor's proposed 1989-90 budget.

Analysis and Comments:

1. The property to be leased for the residential treatment program, located at 741 Valencia Street, is a 2,800 square foot flat. A lease has been negotiated, but not executed, between the proposed medical service contractor and the property owner. The rental expense of \$5,300 monthly, as shown in Attachment 1, is therefore equivalent to \$1.90 per square foot per month, not including utility expenses. Even given today's rental market in San Francisco, this amount seems high for the location requested. We also note that the landlord has estimated that the cost of renovating the property to meet program needs and State Standards, is likewise very high, approximately \$50 per square foot. Although there is an obvious relationship between the amount of investment needed to make the property suitable for the program, in the opinion of the Budget Analyst, the lease agreement and renovation estimates and bids (which have not yet been obtained) should be reviewed by independent experts such as

* Total request for \$94,519 in data processing equipment purchase.

the City and County's Real Estate Department and the Bureau of Architecture. We are informed by the DPH that the lease agreement will not be executed and renovation will not begin until the contract has been finally approved by the Health Commission.

2. Due to the timing of the supplemental appropriation, and the fact that the medical services contract has not been approved by the Health Commission, the funds requested for contractor staff salaries to begin the program during the last month of this fiscal year (\$5,750) are not needed.

3. The preliminary program plan projects serving six to ten residents at an annual operating cost of \$250,000. Unit costs per client (mother and infant) served therefore would range from \$25,000 to \$41,667 annually, or \$2,083 to \$3,472 monthly. These unit costs do not include services provided as a result of linkages to other services such as public health nursing, substance abuse counseling and Department of Social Services programs. To the extent that this program is successful, costs such as medical services at SFGH and Child Protective Services through DSS may be avoided.

4. The funds requested for the Health Center Management System data processing equipment (\$87,544), should be considered along with the \$100,000 requested for the same purpose in the Mayor's 1989-90 budget.

5. The funds requested to purchase data processing equipment for the Home Health System (\$6,975) should not be approved until the Department of Public Health identifies the source of funds for implementation expenses amounting to approximately \$50,000.

Recommendations: 1. Reduce the supplemental appropriation by \$12,725 as detailed below:

	<u>From</u>	<u>To</u>	<u>Savings</u>
Medical Service Contracts	\$ 84,610	\$ 78,860	\$ 5,750 *
Data/Word Processing Equip.	<u>94,519</u>	<u>87,544</u>	<u>6,975**</u>
Total	\$179,129	\$166,404	\$12,725

* To reflect the elimination of salaries for two contract positions for one month during this fiscal year (contract not yet approved by the Health Commission).

** To eliminate equipment purchase for Home Health System for which additional needed funds for implementation have not been budgeted.

Subsequent to the preparation of this report, the DPH has requested that this equipment be approved to permit its use for general purpose word processing and spread sheet applications until such time as remaining funds needed for the Home Health System are identified. However, we continue to recommend against the acquisition of this equipment for this new purpose because the revised justification does not conform to the Department's MIS Master Plan and has not been reviewed by EISPC.

2. Amend the ordinance to reserve \$45,000 renovation portion of the medical service contract until the lease agreement can be reviewed by the Real Estate Department in order to assess the reasonableness of the rental and renovation costs.

3. Amend the ordinance to reserve the remaining \$87,544 in Data/Word Processing Equipment pending consideration and approval of the related equipment purchases for the Health Center Management Information System requested in the 1989-90 budget.

4. Approve the proposed ordinance as amended.

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M E M O R A N D U M

DATE: June 2, 1989
TO: Ken Bruce
FROM: Florence Stoud *Stoud*
RE: Program Plan for a Residential Program for Crack-Addicted Pregnant Women

I. Program

The Department of Public Health has budgeted for a drug-free residential facility in its 1989-90 budget. The planned facility will accomodate 6-10 first-time, pregnant women. The length of stay for these women is twelve to eighteen months.

San Francisco currently has no residential facilities for these women. A community-based organization will be selected to provide a facility and program. The program will provide a structured environment for these women; which will include rules of conduct as it results to acceptable behavior of facility resident.

Women who use crack-cocaine during pregnancy pass the drug to their unborn child. They also experience preterm labor and delivery. They often have low weight, addicted babies who require a great deal of care immediately after birth, as well as longer term developmental problems. If the pregnant women are helped to stop the use of the drug, the changes for a healthier outcome of the pregnancy are increased. For some mothers, residential care during pregnancy and after delivery, has been an effective intervention for mother and child.

Women will be admitted during the fifth month of pregnancy and will stay for 12 to 18 months.

The facility will provide a structured environment for these women which will include rules of conduct related to acceptable behavior for facility residents.

Program residents will have access to the following services:

- A. Health and medical linkage to prenatal care at SFGH
 - PHN follow-up services at the Center
 - WIC Program at SFGH or at other community site
- B. Social Services
 - Ongoing casework
 - GAIN Program
 - Parenting classes/groups

- C. Substance abuse counseling
 - On-site group and individual counseling
 - Individual therapy - onsite or at another community site
 - Day treatment (as needed)
- D. Education
 - Vocational training
 - Alternate education (e.g., tutors for G.E.D. or skills center program)
- E. Continuing care
 - Link to substance abuse recovery system
 - PHN case management for mother and infant
 - DSS worker case management for mother and infant
 - Housing
 - GAIN Program

Clients can be referred from the following sources: self-referrals, referrals from prenatal clinics, substance abuse clinics, DSS, courts, family, and other health care providers.

II. Budget

Personnel Costs

1-Director	@ \$40,000 -	\$40,000
2.5 Resident Counselors	@ 25,000/ea	65,500
1- Recovery Counselor	30,000	30,000
	fringes @ 17%	22,525
	Subtotal	155,025

Non-Personnel Costs

Space - rental @ \$5,300/mo.	\$63,600
Office Equipment & Supply	2,700
	31,100
Telephone @ \$200/mo.	2,400
Travel Insurance Utilities @ \$400/mo.	4,800
Subtotal	<u>104,600</u>

TOTAL	\$259,625
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III. Renovations

Estimated Cost

Sprinkler System	\$ 12,250
Sprinkle System Water Meter	1,750
Hardwall Fire System	6,125
Electrical Wiring	24,700
Plumbing	28,355
Framing, finishing woodwork	65,500
Kitchen Hood System	3,650
TOTAL	\$142,330

CRACK-COCAINE SUPPLEMENTAL START-UP COSTS

(Facility to open between August 15 and September 1)

Introduction

This supplemental is requested to initiate preliminary work needed in order to open a crack-cocaine residential facility for first-time, pregnant addicts. The 1989-90 CPHS budget includes this item for \$250,000. The costs for this supplemental will be subtracted from the budgeted item. DPH staff have identified a desirable site and wishes to get this process underway without the delay that accompanies the new budget year.

Renovations

Facility must be renovated in order to meet community care licensing requirements for Group Residential Care. These costs will be deducted from monthly rental costs for the first year. The facility will accommodate eight residents and staff and will comply with all local and State regulations.

\$45,000

Staff

Staffing request will cover two full-time staff (Project Director, 1.0 FTE and Clerk 1.0 FTE for one month). Project Director will oversee: 1) licensing process; 2) development of residential protocols; 3) recruitment guidelines; 4) service linkages; 5) overseeing renovations and purchasing equipment.

\$5,750

Start-Up Costs for Pregnant Women and Live-In Staff

10 -	Beds (twin) @ \$400 each with mattress	\$ 4,000
10 -	Sets of bedding @ \$200 each	2,000
1 -	Dining table @ \$300 each	300
10 -	Chairs (dining) @ \$100 each	1,000
6 -	Occasional chairs @ \$200 each	1,200
2 -	Sofas @ \$600 each	1,200
1 -	Refrigerator @ \$500	500
1 -	Washer @ \$500	500
1 -	Dryer @ \$500	500
1 -	Stove @ \$500	500
1 -	TV with stand @ \$600	600
1 -	VCR @ \$400	400
Cooking and eating utensils (dishes, pots, pans, linen, etc.) @ \$600		600
Miscellaneous lamps @ \$500		500
1 set	Window covering @ \$700 (blinds/draperies, etc.)	700

\$14,500

Infant Costs

10 -	Bassinets @ \$160 each	\$1,600
6 -	Porta-cribs @ \$360 each	2,160
10 -	Dresser/dresser tables @ \$380	3,800
16 sets	Infant clothing @ \$150	2,400
16 sets	Infant bedding and linens @ \$125	2,000
Baby diapers @ \$250 mo. x 12 (disposable and diaper service all budgeted in start-up costs)		3,000
10 sets	bathtubs, feeding dishes, pacifier, thermometers etc. @ \$100 each	1,000
4 -	Rocking chairs @ \$150 each	600
Formula (back-up stock) @ \$100		<u>100</u>
		\$16,660

Office Supplies

2 -	Desks @ \$400 each	\$ 800
2 -	Chairs @ \$150 each	300
1 -	Typewriter @ \$500	500
File cabinet @ \$150		150
1 -	Office supplies @ \$100	100
Health education material (easels, pamphlets, etc.) @ \$300		300
Phone installation (and for four months of service) @ \$550		<u>550</u>
		\$2,700

<u>TOTAL</u>	<u>\$84,610</u>
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Items 11 and 12 - Files 101-88-135 and 102-88-48

Department: District Attorney

Items: Supplemental Appropriation Ordinance (File 101-88-135) to appropriate salaries and fringe benefits for the creation of two new positions.

Annual Salary Ordinance Amendment (File 102-88-48) to create two new positions.

Amount: The proposed Supplemental Appropriation Ordinance would establish salaries and fringe benefits appropriations in a new Program Project as follows:

Permanent Salaries - Misc.	\$104,948
Mandatory Fringe Benefits	<u>26,724</u>
Total	\$131,672

Source of Funds: Police Department's Narcotics Forfeiture and Asset Seizure Fund

Description: Pursuant to recent amendments to the statutes dealing with the forfeiture of assets by individuals who acquired them through trafficking in narcotics, the Police Department and the District Attorney have entered into a one year agreement beginning March 27, 1989, whereby two new positions would be created in the District Attorney's Office to facilitate, process and prosecute asset forfeiture actions through the State Courts. The proposed two new positions are as follows:

	Biweekly Salary	Annual Salary
8180 - Principal Attorney	\$2,370 - \$2,890	\$61,857 - \$75,429
8132 - District Attorney Investigative Assistant	1,027 - 1,243	26,805 - 32,442

Although the proposed new positions would be in a District Attorney's project budget, funding for the positions would come from the Narcotics Forfeiture Fund which would receive the revenue generated by the new positions.

Comments: 1. The agreement between the Police Department and the District Attorney stipulates that the proposed two new positions must work exclusively on the prosecution of drug traffickers and the forfeiture of their assets.

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2. The District Attorney's Office estimates that the proposed project will generate \$600,000 annually in revenue for the Narcotics Forfeiture and Asset Seizure Fund.

3. The proposed \$131,672 supplemental appropriation would fund the new project for one year. At the end of that year, the Police Department and District Attorney will evaluate the project's effectiveness and determine if it should be continued.

4. The Narcotics Forfeiture and Asset Seizure Fund had a balance of approximately \$1.3 million as of June 1, 1989.

Recommendation: Approve the proposed ordinances.

Item 13 - File 101-88-146

Department: District Attorney (D.A.)

Item: Supplemental Appropriation Ordinance to increase the appropriation for Litigation Expenses in Special Prosecution Fund program project budget.

Amount: \$35,000

Source of Funds: Narcotics Forfeiture and Asset Seizure Fund (Police Department)

Description: The State mandated Special Prosecution Fund pays investigation and litigation expenses such as expert witness fees and victim/witness travel expenses. The D.A. estimates that there will be a shortfall in this fund, as follows:

1988-89 Budget		\$143,154
Less Projected Expenditures:		
Actual Expenditures from 7/1/88 through 12/31/89	\$105,139	
Projected Expenditures from 1/1/89 through 6/30/89	<u>73,015</u>	
		<u>178,154</u>
Estimated Budgetary Shortfall		\$35,000

The D.A. indicates that at least \$35,000 of the total Special Prosecution Fund expenditures in 1988-89 have been for expenses related to the prosecution of narcotics cases. Therefore, the Narcotics Forfeiture and Asset Seizure Fund is an appropriate source of revenue to make up the estimated shortfall.

- Comments:**
1. Ms. Mary King of the D.A.'s Office reports that as of June 2, 1989, the entire \$143,154 Special Prosecution Fund budget has been expended, that she is holding \$18,853 worth of invoices in anticipation of the proposed Supplemental Appropriation Ordinance and that she expects to receive invoices totalling an additional approximately \$6,681 soon.
 2. The Internal Audits Division of the Controller's Office has audited the Special Prosecution Fund annually, as required by law. Internal Audit's latest report for 1987-88 noted that the annual budget for the Special Prosecution Fund did not cover all of the actual expenditures and, therefore, \$33,766 had to be carried forward to be applied against the 1988-89 budget appropriation.

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Memo to Finance Committee
June 7, 1989

3. As of June 1, 1989, the Narcotics Forfeiture and Asset Seizure Fund had a balance of approximately \$1.3 million.

Recommendation: Approve the proposed Supplemental Appropriation Ordinance in the amount of \$35,000.

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Item 14 - File 101-88-147

Department: District Attorney (D.A.)

Item: Supplemental Appropriation Ordinance to increase the budget for interdepartmental charges and to ratify action previously taken.

Amount: \$13,544

Source of Funds: General Fund - General Reserve

Description: Maintenance costs for the District Attorney's computer and word processing equipment are paid initially by the Police Department which then bills the District Attorney's Office through work order accounts (interdepartmental charges).

Because the District Attorney's 1988-89 budget does not include an appropriation for such costs, the D.A. has been reimbursing the Police Department from other D. A. accounts until a Supplemental Appropriation could be obtained.

Recommendation: Approve the proposed Supplemental Appropriation Ordinance.

Item 15 - File 101-88-138

Department: Recreation and Park Department

Item: Reappropriation Ordinance

Amount: \$110,320

Purpose: Reappropriate funds for Temporary Salaries - Miscellaneous in the Open Space and Park Renovation Fund, which would expand the Department's Workreation Program for the Summer of 1989.

Source of Funds: Unexpended Open Space and Park Renovation Fund temporary salaries and fringe benefit funds previously appropriated for the 1988-89 After School Program.

Description: The Recreation Department requests that the \$110,320 projected surplus from the fiscal year 1988-89 After School Program funds be reappropriated and carried forward into the new fiscal year 1989-90 in order to fund an expanded Workreation Program for the Summer of 1989.

The Workreation Program provides summer and limited year-round employment in the Recreation and Park Department for youth from ages 16 through 18 years old.

Comment: The Department currently has \$46,000 budgeted General Funds for the Workreation Program. These previously budgeted funds together with the \$110,320 requested in this Reappropriation Ordinance would provide a total of \$156,320 for the 1989 Summer Workreation Program. However, the Department requires only \$156,060, or \$260 less than the \$156,320, as follows:

192 youth employed at \$4.25 per hour for four hours per day, for forty days (eight weeks)	\$130,560
Ten youth employed at \$4.25 per hour for three hours per day for 200 days (forty weeks)	<u>25,500</u>
Total funds needed	\$156,060

Recommendation: Reduce the requested \$110,320 by \$260 to \$110,060 and approve the proposed ordinance.

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Item 16 - File 38-89-13

Department: Recreation and Park Department

Item: Resolution authorizing the acceptance of two cash gifts of \$28,000 and \$18,000, totaling \$46,000.

Description: The proposed resolution would authorize the acceptance of the following two cash gifts from Friends of Recreation and Parks:

- 1) \$28,000 for the purchase of a playmobile to serve as a mobile recreation center to enhance recreation programs in high need areas. The proposed playmobile would serve as a recreation center on wheels. It would contain equipment to set-up a trampoline, a basketball court, wading pools and bicycles. Video games and computers are also planned to be included.
- 2) \$18,000 to be used as a matching grant to fund a temporary Teen Coordinator position for one year to develop programs in the Recreation Division to serve the City's teen population.

Comment: The Department anticipates that the Koret Foundation will provide the remaining \$18,000 half of the matching grant for the Teen Coordinator to provide services for one year.

Recommendation: Approve the proposed resolution.

Memo to Finance Committee
June 7, 1989

Items 17 and 18 - Files 101-88-139 and 102-88-47

Department: Mayor's Office

Items:

1. Ordinance (File 101-88-139) authorizing a supplemental appropriation of \$3,942 for permanent salaries and related fringe benefits for three new positions to staff the Small Business Advisory Commission.
2. Ordinance (File 102-88-47) authorizing the amendment to the 1988-89 Annual Salary Ordinance to add three new positions in the Mayor's Office.

Amount: \$3,942

Source of Funds: General Fund Reserve

Description:

1. The proposed amendment to the 1988-89 Annual Salary Ordinance would add three new positions in the Mayor's Office for FY 1988-89, as follows:

<u>Proposed Action</u>	<u>Class/Title</u>	<u>Proposed Biweekly Salary</u>	<u>Proposed Annual Salary</u>
Create 1	9790 Assistant to Mayor V	\$1,935-\$1,935	\$50,504-\$50,504
Create 1	9782 Assistant to Mayor I	1,184-1,184	30,902-30,902
Create 1	1444 Secretary I	758-916	19,784-23,908

The creation of the three additional positions would result in increased annual salaries of \$105,314 at the top steps. These positions would be finally classified at a future meeting of the Civil Service Commission.

2. The proposed supplemental appropriation of \$3,942 would provide for salaries and fringe benefits to provide administrative and staff support for the Small Business Advisory Commission for the remainder of fiscal year 1988-89.

Budget: The budget for the proposed supplemental appropriation request from June 19 through June 30, 1989 is as follows:

Permanent Salaries	\$3,657
Mandatory Fringe Benefits	<u>285</u>
Total	\$3,942

Comment: 1. On December 23, 1988, the Board of Supervisors approved an amendment to the City's Administrative Code to create the Mayor's Bureau for Small Business and the Small Business Advisory Commission. That amendment required the Mayor's Bureau of Small Business to provide staff and administrative support functions to the Small Business Advisory Commission. Such staff and administrative support is presently being provided by existing staff in the Mayor's Office.

2. The Mayor's Office is now requesting that three dedicated staff positions be provided to the Small Business Advisory Commission so they can survey businesses and complete a needs assessment of the small business community. The Mayor's proposed budget for fiscal year 1989-90 includes funding for continuation, effective July 1, 1989, of the salaries of the proposed three new positions in the amount of \$102,956. The budget also contains fringe benefits and other related costs of \$48,424 for a total budget of \$151,380.

Recommendation: Approval of the proposed ordinances, which would provide permanent dedicated staffing in the Mayor's Office for administrative support of the Small Business Advisory Commission, is a policy decision for the Board of Supervisors.

Memo to Finance Committee
June 7, 1989

Item 19 - File 101-88-160

Department: Mayor's Office of Community Development

Item: Ordinance approving supplemental appropriation request for contractual services.

Amount: \$4,500

Source of Funds: General Fund - General Reserve

Description: The Mayor's Office budget for fiscal year 1988-89 includes an amount of \$150,047 for the Bayview-Hunters Point Facility. Of this amount, \$13,545 was budgeted for Other Contractual Services. This supplemental appropriation request would provide funding for a budget deficiency in the Other Contractual Services Account. Our analysis of this budget deficiency is as follows:

Amount Budgeted in Fiscal Year 1988-89 Budget		\$13,545
Less: Amount Expended through May 31, 1989	12,277	
Estimated Expenditures for June 1, 1989 to June 30, 1989	<u>5,768</u>	
Total Amount Needed		<u>18,045</u>
Estimated Budget Deficiency		\$4,500

Comment: The Other Contractual Services Account includes funding for security services and other building occupancy costs of the Bayview-Hunters Point Facility. The request of \$4,500 in additional funding will allow payment of all estimated obligations incurred in fiscal year 1988-89.

Recommendation: Approve the proposed supplemental appropriation request.

Item 20 - File 101-88-140

Department: Police Department

Proposed Action: Supplemental Appropriation Ordinance

Amount: \$60,581

Source of Funds: Reappropriation of Police Department Permanent Salaries - Uniform

Proposed Expenditure: Appropriating \$60,581 for data processing contract services, materials and supplies, computer equipment, communications equipment and other equipment maintenance.

Description: 1. This request, for FAX machines, a routing/control computer, and related materials and supplies would better enable the Department to transmit information concerning arrests. The County is currently a party to a consent decree related to reducing overcrowding at County Jail #1 at the Hall of Justice. The Police Department believes, and the District Attorney's Office concurs, that the use of FAX machines for transmitting Police arrest reports from the Department's outlying units to the Hall of Justice will assist in decreasing the amount of time that alleged offenders must spend at the jail before a determination can be made as to whether or not they can be released.

2. The details of the proposed supplemental appropriation request are as follows:

Computer Equipment

1 COMPAQ model 286/12 with 670 megabyte		
Hard Drive and full page monitor	\$9,618	
1 Cannon Laser Printer	<u>5,356</u>	
		\$14,974

Communications Equipment

6 Gamma FAX CP Cards	\$ 6,385	
13 Panafax 225 FAX Machines	<u>23,615</u>	
		30,000

Software Development		7,200
Materials and Supplies		5,000
Equipment Maintenance		<u>3,407</u>

Total Request		\$60,581
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Comments:

1. The proposed computer system would include Gamma FAX/CP cards which would be connected to telephone lines to accept incoming FAX transmissions without printing hard copies of arrest reports unless needed. The thirteen machines would be located to provide needed access as follows:

District Stations	9
District Attorney's Liaison Office	1
Police Records Room	1
Hall of Justice - Room 400 (Available to Officers when Records Room is closed)	1
Special Operations Bureau's Narcotics Task Force	1

2. Any reasonable efforts that departments of the County's criminal justice system can make toward reducing overcrowding at the jail may help to persuade the court to remove the consent decree.

Recommendation: Approve the proposed ordinance.

Item 21 -File 101-88-154

Department: Police Department

Item: Ordinance approving supplemental appropriation request to provide a cash match for State grant funds.

Amount: \$26,000

Source of Funds: Reappropriation of Police Department Permanent Salaries - Miscellaneous

Project: Senior Escort Program Escort Patrol Project

Project Description: The objectives of the proposed project are as follows:

To provide on-street safety patrols and services to older adults in the Tenderloin, South of Market, Western Addition and Mission neighborhoods. Twenty Senior Escort Program "Crime Prevention Workers" would be assigned to "Escort Patrols" in these areas and would also have the ability to move to any other area of the City which demonstrates the need for patrol activities. Equipped with hand held portable radios, the patrols would have the ability to call for emergency services, to report crimes and to maintain contact with a base station.

The patrols would provide a combination of services including a "safety-watch" over specified routes which are heavily traveled by seniors and the "pick-up" of clients from their homes and escorting them to destinations within their neighborhoods.

Sponsorship of "Crime Prevention Workshops" on a City-wide basis for community senior citizen programs, organizations and housing complexes. The workshops would be conducted by project staff and senior volunteers who would receive training from the San Francisco Police Department in personal safety and crime prevention education.

2. The budget for the Senior Escort Program Escort Patrol Project which totals \$124,304, (\$94,579 in grant funds, \$3,725 in in-kind match and \$26,000 in local funds which is the subject of this request), is as follows:

Personnel

Patrol Director	\$36,000	
Crime Prevention Worker	26,000	
Fringe Benefits	<u>10,350</u>	
Subtotal		\$72,350

Operating Expenses

Travel (grant-related conferences)	\$2,768	
Training	1,565	
Graphics and Layout of Newsletters	1,000	
Supplies	<u>1,400</u>	
Subtotal		6,733

Equipment

25 Hand Held Portable Radios	\$32,988	
Base Station and Related Costs	<u>11,308</u>	
Subtotal		44,296

Audit

925

Total

\$124,304

Comments:

1. The Police Department has applied for an Office of Criminal Justice Planning grant of \$94,579 to assist the Senior Escort Program in developing an expanded foot patrol program.

2. The proposed supplemental request of \$26,000, using reappropriated funds, would provide the required matching funds for a State Grant of \$94,579. The Department is in the process of submitting a resolution authorizing the application for, acceptance and expenditure of these grant funds for approval of the Board of Supervisors.

Recommendation:

Approve the proposed supplemental appropriation request.

Item 22 - File 101-88-162

Department: Police Department (SFPD)

Item: Ordinance appropriating funds for overtime pay-uniform; holiday pay-uniform; and differential pay; rescinding funds from Permanent Salaries - uniform and requiring ratification of action previously taken.

Amount: \$1,625,000

Source of Funds: This is a reappropriation of surplus funds from Permanent Salaries - Uniform and Retirement Appropriations within the SFPD's General Fund budget (\$1,240,000) and appropriation of additional funds from the Narcotics Forfeiture and Asset Seizure Fund (\$385,000).

Description: 1. The \$1,625,000 supplemental appropriation request would be expended as follows:

Overtime Uniform	\$1,500,000
Holiday Pay, Uniform	40,000
Differential Pay	<u>85,000</u>
Total	\$1,625,000

2. The Budget Analyst has reviewed all calculations supporting the estimates of funds needed by the SFPD and finds the Department's projections to be reasonable. Based on more recent information, we have estimated the budget deficiency to be \$1,741,000 or \$116,000 more than the requested funds, as follows:

Amount Appropriated in the Fiscal Year 1988-89 Budget	\$4,590,889
Less: Actual Expenditures 7/1/88-5/12/89	5,611,420
Estimated Expenditures 5/13/89-6/30/89	<u>720,469</u>
Estimated Budget Deficiency	\$1,741,000
Amount Requested	<u>1,625,000</u>
Estimated Additional Budget Deficiency	\$116,000

Comments: 1. Based on the Budget Analyst's most recent estimate, an additional budget deficiency of \$116,000 may be incurred by the Police Department prior to June 30, 1989.

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2. Based on estimates by the Department, up to \$1.3 million of the overtime request is narcotics-related, including approximately \$790,000 for the Special Operations Bureau Narcotics Task Force.

3. The Narcotics Forfeiture and Asset Seizure Fund, which presently has a balance of approximately \$1.3 million, can be used to fund the estimated \$790,000 of overtime of the Narcotics Task Force instead of using only \$385,000 from this Fund as requested in this proposed legislation. This would allow the difference of \$405,000 to revert to General Fund surplus at the close of the fiscal year.

Recommendations:

1. Amend the proposed ordinance to reduce the amount to be rescinded from the Permanent Salaries - Uniform Account by \$405,000 from \$427,500 to \$22,500 and increase the funding to be provided from the Federal Narcotics Forfeiture and Asset Seizure Fund by \$405,000 from \$385,000 to \$790,000. Implementation of this recommendation effectively results in \$405,000 being returned to the General Fund surplus.

2. Approve the proposed supplemental appropriation request as amended.

Item 23 - File 102-88-38

Note: This item was continued by the Finance Committee at its meeting of May 24, 1989.

Department: Chief Administrative Office (CAO)

Proposed Action: Ordinance to amend the Annual Salary Ordinance to reflect the creation of seven new positions.

Description: 1. The details of the proposed Salary Ordinance amendment are as follows:

<u>Proposed</u> <u>Action</u>	<u>No. of</u> <u>Positions</u>	<u>Class and Title</u>	<u>Proposed</u> <u>Biweekly</u> <u>Salary</u>	<u>Proposed</u> <u>Annual</u> <u>Salary</u>
Create	1	1446 Secretary II	\$874-\$1,057	\$22,812-\$27,588
Create	2	5506 Project Manager III	2,684-2,684	70,052-70,052
Create	1	5508 Project Manager IV	3,108-3,108	81,119-81,119
Create	1	9765 Assistant to CAO VI	2,023-2,023	52,800-52,800
Create	1	9766 Assistant to CAO VII	2,264-2,264	59,091-59,091
Create	1	A557 Deputy Fiscal Officer, CAO	2,332-2,332	60,865-60,865

Except for the 1446 Secretary II position, the above new positions would not include Salary Step increases. The proposed addition of seven new positions would result in an increased annual salary of \$421,567 at the top steps.

2. The Board of Supervisors approved a resolution (File 209-89-1) which authorized the creation of a Waterfront Transportation Project Office under the CAO to coordinate the planning, financing, design and construction of a Waterfront Transportation Program. The Waterfront Transportation Program includes five major highway and transportation projects with three separate agencies to be responsible for their completion, as follows:

<u>Project</u>	<u>Agency</u> <u>Responsible</u>
• Embarcadero Parkway - Redevelopment of the Embarcadero as a landscaped boulevard from North Point on the north to approximately Fifth and King on the south. As part of this project, King Street is also to be redeveloped as a boulevard.	Department of Public Works

<u>Project</u>	<u>Agency Responsible</u>
• MUNI Metro Turnback - Subway extension of the MUNI Metro from the Embarcadero Station to a portal south of Howard Street in the median of the Embarcadero Parkway.	Public Utilities Commission
• MUNI Metro Extension - Surface extension of the MUNI Metro from the Turnback project south and west in the median of the Embarcadero Parkway and King Street Boulevard. Five platform stations are to be included.	Public Utilities Commission
• MUNI F Line - Extension of surface tracks from Market Street north along the Embarcadero Parkway to Jones Street in the Fisherman's Wharf area.	Public Utilities Commission
• I-280 Ramps - New off/on ramps linking the elevated I-280 structure with the (new) King Street Boulevard. Also includes the removal of the unused elevated I-280 structure.	CALTRANS

3. The program is expected to have a duration of at least five years. The Project Office would include a Project Manager under the CAO, who would be responsible for the overall implementation of the project and would include additional project management and support staff to assist in financing, scheduling of contracts, engineering and administration of the Program. The staff would be phased in on an as-needed basis. The maximum anticipated annual budget is as follows:

Salaries

<u>Position Number</u>	<u>Position Title</u>	<u>No. of Positions</u>	<u>Annual Cost</u>
5508	Project Manager IV	1	\$ 81,119
5506	Project Manager III	2	
		@ \$70,052	140,104
9765	Assistant to the CAO VI	1	52,800
A557	Deputy Fiscal Officer	1	60,865
9766	Assistant to the CAO VII (@ 30%)	1	17,727

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
June 7, 1989

<u>Position Number</u>	<u>Position Title</u>	<u>No. of Positions</u>	<u>Annual Cost</u>
1446	Secretary II	1	22,916
	<u>Fringe Benefits</u>	<u> </u>	<u>93,883</u>
	Subtotals	7	\$469,414
	<u>Data Word Processing Maintenance</u>		\$1,500
	<u>Other Contract Services</u>		
	Office Equipment Maintenance	\$1,000	
	Copy Machine	7,500	
	Temporary Secretary	8,736	
	Moving Expenses	<u>3,000</u>	20,236
	<u>Routine Travel</u>		2,000
	<u>Training</u>		2,500
	<u>Other Services</u>		
	Local Field Expense	\$4,000	
	Postage-Messengers	3,000	
	Subscription	1,000	
	Printing	5,000	
	Entertainment	500	
	Advertising	<u>3,500</u>	17,000
	<u>Telephone</u>		6,000
	<u>Materials & Supplies</u>		
	Offices Supplies	\$5,000	
	Data Processing Supplies	<u>2,500</u>	7,500
	<u>Rental of Property</u>		40,000
	<u>Equipment</u>		
	Furniture	\$15,000	
	Books	<u>1,000</u>	16,000
	<u>Data Processing Equipment</u>		15,000

BOARD OF SUPERVISORS
BUDGET ANALYST

Service of Other Departments

City Attorney	\$50,000	
Human Rights Commission	10,000	
Reproduction	5,000	
City Mail Services	<u>2,000</u>	<u>67,000</u>

TOTAL		<u>\$664,150</u>
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4. The seven positions, which would be created by this proposed ordinance, would be classified at a future meeting of the Civil Service Commission.

Comments:

1. The Mayor's Office and the CAO have recommended the creation of the Waterfront Project Office due to the number of agencies involved and the variety of funding sources to be used in the projects. In addition to the Public Utilities Commission and the Department of Public Works, the Port of San Francisco, the Department of City Planning and the San Francisco Redevelopment Agency have important roles in insuring the success of the Waterfront Transportation Project. The centralized planning, control and accountability of the project in the Waterfront Transportation Project Office by the CAO is intended to insure that it is implemented efficiently and expeditiously.

2. The total cost of the highway and transportation improvements, which are part of the proposed Waterfront Transportation Program, are expected to exceed \$200 million and are to be funded from a diversity of federal, state, local, and private sources, with the largest share from the Urban Mass Transportation Administration and I-280 Interstate Transfer funds. The total cost of operation of the Waterfront Transportation Project Office, in the amount of \$664,150 as shown above, is expected to be fully funded from State and Federal grants. At the request of the Finance Committee, additional information was obtained from the CAO's Office as to how the Waterfront Transportation Project Office would be funded. The additional information is included as an attachment to this report.

3. The authorization to apply for and accept grant funds for the individual capital projects of the Waterfront Transportation Program and for the operation of the Waterfront Transportation Project Office would continue to require approval by resolution of the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST

4. Mr. Dave Fong, of the Controller's Office, concurs that since positions under this program are expected to be employed by the City for over six months, such positions should be enumerated in the Annual Salary Ordinance as is being proposed under this ordinance.

Recommendation: Approve the proposed ordinance based on the prior policy decision of the Board of Supervisors to authorize the creation of the Waterfront Transportation Project Office.



OFFICE OF

CHIEF ADMINISTRATIVE OFFICER

RUDOLF NOTHENBERG
CHIEF ADMINISTRATIVE OFFICER

289 CITY HALL
SAN FRANCISCO
CALIFORNIA 94102
415/554-4851

DATE: June 5, 1989
TO: Bill Courtright
FROM: Ann Branston *[Signature]*
RE: Waterfront Project Office

Here is a brief explanation of how the Waterfront Project Office will be funded.

The Board of Supervisors has previously authorized the Public Utilities Commission and the Department of Public Works to apply for, accept, and expend grant funds to initiate planning and design work on the Muni Metro Turnback, the Muni Metro Extension and the Embarcadero Parkway. These grants include \$7.7 million in Cal Trans State Guideway funds, \$12 million from the Urban Mass Transportation Administration (UMTA), \$15 million from B.A.R.T. and \$1.6 million from the Federal Highway Administration (FHWA). Each of these grants included funding allocations for project management and administrative expenses, a portion of which would be transferred to the CAO's office to support the operation of the Waterfront Project Office. As additional grants are authorized and received in subsequent years, the Project Office would continue to be funded in this manner.

Please let me know if I can answer any additional questions.

#1967Y

Item 24 - File 215-89-4

Proposed Action: The proposed resolution would determine and declare the public interest and necessity for a General Obligation (GO) bond issuance for seismic safety and rehabilitation improvements by the City and County of San Francisco. The proposed GO bond issue would be placed on the ballot of the November 7, 1989 election. Adoption of this resolution is required prior to passage of any ordinance submitting a bond issue to the voters of San Francisco.

Amount: \$59,700,000

Description: 1. A proposed bond issue in the amount of \$59.7 million would provide funds for the acquisition, construction or completion necessary for various municipal improvements. These improvements include reducing earthquake hazards, removal of asbestos, rehabilitation of City buildings, providing access for the disabled and related assessment programs.

2. According to a May, 1989 Department of Public Works report on the "Proposed \$59.7 million General Obligation Bond Issue for Earthquake and Safety Improvements to City-owned Buildings - Phase I", the City owns over 500 buildings and facilities, excluding the San Francisco Unified School District and Housing Authority facilities. The average age of these City-owned facilities is over 50 years and many are in need of seismic safety and rehabilitation work. The proposed \$59.7 million GO bond would be used to fund 24 buildings or facilities used by General Fund supported agencies that are in critical need of repair.

The attachment identifies each of the proposed buildings or facilities and the estimated cost for the various proposed project costs. As indicated in the attachment, the proposed \$59.7 million bond program would address the following five major categories of work:

1- Seismic Hazards Reduction

\$48,862,000

The City has developed an Earthquake Safety Program to identify and abate hazards and deficiencies in municipal facilities on a prioritized basis. A total of 170 municipal facilities have been inspected and evaluated for seismic hazards. Twenty-four buildings are proposed for seismic strengthening in this \$59.7 million bond issue, including 19 Fire Department stations and facilities, Laguna Honda Hospital boiler plant and utilities, two buildings at the California Academy of Sciences, the Main Library and the Legion of Honor. The estimated costs includes architecture, design, project management, construction, related non-structural work, temporary relocations, inflation and contingency fees.

2- Asbestos Abatement

\$3,163,000

Under the City's Asbestos Control Program, all City buildings will be inspected for asbestos, including identifying the location of all asbestos-containing materials, evaluating the risk, selecting mitigation measures, prioritizing the proposed work, estimating the cost and developing plans to prevent disturbing the asbestos until the work is conducted. Of the 24 buildings selected for Seismic Hazards Reduction, 23 were found to have asbestos-containing materials and are proposed to be included in the \$59.7 million bond issue. The estimated costs include asbestos removal and reinsulation, where necessary, design, project management and administration, inflation and quality control.

3- Rehabilitation

\$3,149,000

As part of the City's Capital Asset Management System (CAMS), which is a city-wide comprehensive database to manage the City's investment in streets, sewers, bridges, tunnels, the water system and public buildings, the Department of Public Works (DPW) developed a Facility Condition Monitoring Program. This Program is used to assess the condition of all City facilities according to health and safety concerns, cost avoidance and functional impediment. According to DPW's report, condition assessments of 33 facilities have been completed, including the 24 proposed for seismic strengthening. Of the 24 facilities, 22 are proposed for rehabilitation as part of the bond issue. The estimated costs include design, construction, project management, inspection fees, contingencies and inflation.

4- Disabled Access

\$2,700,000

State law (Title 24 of the California Administrative Code, Part 2) requires that when public buildings undergo renovation work, access must be provided for the physically disabled from the street into the building and then to the area of work. Restroom accommodations must also be provided. Of the 24 facilities proposed for seismic improvements, 22 will require renovations for disabled accessibility in entry areas, elevators and restrooms. The proposed cost includes design, construction, project management, contingency and inflation.

5- Condition Assessment

\$1,800,000

These funds are proposed to be used to complete the assessment work for the Earthquake Safety Program, the Asbestos Abatement Program and the Facility Condition Monitoring Program.

Total Cost

\$59,674,000

Comments:

1. The proposed \$59.7 million bond issue is projected to be Phase I of a much larger program needed to provide earthquake and other safety improvements to the City's facilities. Based on the results of the Condition Assessments that would be included in the proposed \$59.7 million bond issue, DPW expects to propose additional bond issues at periodic intervals to fund future work. The DPW estimates that the long-range program to correct the City's serious seismic and asbestos hazards could be completed in ten years. According to DPW, preliminary estimates of the total cost for seismic hazards reduction for City buildings is approximately \$500 million, based on current dollars.

2. According to DPW, if the proposed Phase I bond issue is approved, it is anticipated that the \$59.7 million GO bonds could be issued during the Spring of 1990. Contracts for the initial work could then begin by late 1990. All of the proposed work on the 24 buildings is projected to be completed by fiscal year 1994-95.

3. In response to inquiries from the Budget Analyst, Mr. Frank Moss of the Department of Public Works, reports that the City needs to make the proposed Fire Stations accessible to the handicapped public because of the State's requirements.

4. The Capital Improvement Advisory Committee (CIAC) report states that the proposed bond program will result in an average annual debt for the City of approximately \$5.205 million, assuming a 20 year period and an interest rate of approximately seven percent. This would result in an annual debt service of approximately \$0.0137 (one and 37/100 cents) on the property tax rate. The owner of a house assessed at \$200,000 would pay approximately \$26.44 in additional property taxes per year for the 20 years of the bond issue. The City's current bonding capacity is approximately \$1.101 billion. The proposed \$59.7 million bond program would reduce the City's bonding capacity to approximately \$1.041 billion.

5. The CIAC report also states that the proposed \$59.7 million bond issue program is in conformity with the Capital Expenditure Plan for the maintenance and improvement of City facilities and that the Department of Public Works has prepared or verified all of the proposed program's cost estimates. The CIAC recommends that the Board of Supervisors approve the proposed \$59.7 million resolution for a bond issue.

BOARD OF SUPERVISORS
BUDGET ANALYST

6. The City and County of San Francisco does not have a separate procedure for the issuance of GO bonds. Rather, the City adopts the general law of the State of California. The State General Obligation Bond Law requires a resolution of public convenience and necessity be adopted by a two-thirds vote of the Board of Supervisors. If the proposed resolution is approved by a two-thirds vote of the Board of Supervisors, the City Attorney's Office will prepare an ordinance to submit the proposed \$59.7 million bond issue to the voters.

Recommendation: Approval of the acquisition, construction and completion of seismic safety, asbestos abatement, rehabilitation, disabled access and assessment improvements for municipal facilities in San Francisco at an estimated cost of \$59.7 million is a policy matter for the Board of Supervisors.

1989 EARTHQUAKE SAFETY PROGRAM - Phase 1

SUMMARY OF BOND ISSUE WORK

BUILDING/FACILITY	Address	Yr. Built	Sq. Feet	Seismic Hazard	PROJECT COSTS					TOTAL
					Seismic Upgrade	Asbestos Abatement	Disabled Access	Condition Repairs		
FIRE DEPARTMENT										
Station #1	416 Jessie	1920	10,000	4	3,243	45	61	145		3,494
Station #2	1340 Powell	1916	12,300	3	3,193	70	57	167		3,487
Station #7	2300 Folsom	1954	18,000	2	452	237	188	185		1,061
Station #8	36 Bluxome	1940	9,200	4	1,095	40	101	214		1,450
Station #11	3880 26th St	1956	11,900	3	414	92	56	33		595
Station #15	1000 Ocean	1957	13,600	3	579	52	51	88		770
Station #21	1443 Grove	1958	8,300	2	374	81	47	102		604
Station #24	100 Hoffman	1914	6,000	4	1,623	55	101	208		1,986
Station #31	441 12th Av	1913	10,000	4	2,052	104	61	289		2,505
Station #36	106 Oak	1961	10,300	3	689	98	38	0		825
Station #37	798 Wisconsin	1915	4700	4	1,636	64	152	36		1,888
Station #38	2150 California	1960	13,600	2	460	94	94	171		820
Station #40	2155 18th Av	1931	6,500	3	1,210	43	81	113		1,446
Station #44	1298 Girard	1915	5,900	4	1,631	116	71	36		1,854
Arson Task Force	676 Howard	1958	14,300	4	403	121	56	63		643
Ashbury Tank	1234 Clayton	1915	1,400	3	189	0	0	15		204
Old Station #21	1152 Oak	1893	5,600	4	840	20	101	130		1,091
Pump Station #1	2nd & Townsend	1912	16,000	2	1,173	665	61	222		2,121
Headquarters Bldg	260 Golden Gate	1966	45,000	3	4,046	326	38	206		4,616
HEALTH DEPARTMENT										
Laguna Honda										
Boiler/equipment	375 L.H. Bl	1933	7,400	3	1,504	42	30	287		1,862
PUBLIC ASSEMBLIES										
Cowell Hall (CAS)	Golden Gate Park	1967	30,600	4	1,088	111	385	313		1,897
Research/IZG (CAS)	Golden Gate Park	1915	23,800	4	1,340	46	506	109		2,001
Legion of Honor	Lincoln Park	1924	84,200	3	10,500	351	364	17		11,232
Main Library	200 Larkin St	1916	139,900	3	9,130	290	0	0		9,420
Total for Fire			222,600		25,302	2,322	1,415	2,423		31,462
Total for DPH/PA			285,900		23,561	841	1,285	726		26,412
Assessments & planning - future phases										1,800
TOTAL			508,500		48,862	3,163	2,700	3,149		59,674

NOTES

1. These buildings are from a list of 170 which have received seismic evaluations. The selections were based on the level of seismic deficiencies in a building, and on the need for a building to remain functional after an earthquake.
2. Project costs include design, construction, related non-structural work, project management, relocation and inflation.
3. High seismic upgrade costs (relative to replacement) and operational deficiencies may cause some facilities to be rebuilt or their functions relocated to new buildings.
4. Seismic Hazard Rating: 1 = minor damage; 2 = moderate damage; 3 = major damage; 4 = partial/total collapse.

Item 25 - File 101-88-145

Department: Department of Public Works (DPW)
Bureau of Architecture

Item: Ordinance appropriating \$50,000 to conduct a second study of City-owned buildings related to a Capital Improvement Project to remove architectural barriers to improve access to disabled persons. Architectural barriers include stairs, doors and plumbing fixtures not easily accessible for handicapped persons.

Amount: \$50,000

Source of Funds: General Fund Reserve

Description:

1. A program was initiated in 1985 by the Mayor's Office to survey and evaluate existing conditions caused by architectural barriers in various City-owned buildings. An initial report was prepared in late 1987 with the assistance of the City's disabled community. This report identified access deficiencies for disabled persons which were found to exist in these City-owned buildings.
2. Using the information provided in that report, a supplemental appropriation of \$25,000 was approved in December of 1988 (Ordinance 517-88) for the Bureau of Architecture to begin the preparation of a program to correct access deficiencies in approximately 25 City-owned buildings which are most visited by the public. Of these buildings, a list of eight projects has been recommended by the Mayor for \$500,000 in funding in the 1989-90 budget under the Capital Improvement Program.
3. The current request for a \$50,000 supplemental appropriation would continue the work of surveying City-owned building for access deficiencies. The \$50,000 would allow a survey of 60 additional buildings and would:
 - Evaluate the accuracy and completeness of previous surveys;
 - Prepare schematic building access plans and project cost estimates;
 - Prepare a phased expenditure plan of corrections; and
 - Establish a priority program to correct identified deficiencies.

BOARD OF SUPERVISORS
BUDGET ANALYST

4. A detailed budget of estimated costs for the proposed study, to be done by DPW Bureau of Architecture, is as follows:

<u>Position and Title</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Amount</u>
5270 Senior Architect	160	\$24.36	\$3,898
5268 Architect	456	22.09	10,073
5266 Architectural Asst.	<u>608</u>	15.76	<u>9,582</u>
Subtotals	1,224		\$23,553
Fringe Benefits (46.58%)			10,971
Bureau Overhead (45.78%)			10,783
Fixed Charges (estimated costs of 22 member Disability Task Force and 4 sub-committees)			3,493
Supplies and reproduction			<u>1,200</u>
Total			\$50,000

Comments:

1. A Disability Task Force has been appointed by the Mayor and has held its first meeting on April 27, 1989. The chair of the Task Force is Larry Del Carlo, Director, Mayor's Office of Community Development. The twenty-two member Task Force is made up of related City department staff including the Departments of Public Health and Public Works, Real Estate Department, Department of Social Services, Human Rights Commission, Department of City Planning, City Attorney, City Library, the Recreation and Park Departments and public service organizations representing the various groups of the disabled. The goals of this new task force include:

- determining the degree of modification necessary to bring City-owned and leased facilities up to federal and state handicap access requirements;
- developing and filing an Action Plan which identifies major problem areas regarding access to facilities and services, proposing solutions to the problems; and
- conducting a public hearing in order to obtain maximum public input on the Action Plan.

BOARD OF SUPERVISORS
BUDGET ANALYST

2. According to Mr. Tim Lilliquist, the Recreation and Park Department plans to contract for its own survey of disability access to its facilities. This is the result of being cited by the U.S. Park Service.

3. In response to inquiries by the Budget Analyst, Mr. Frank Moss of the Department of Public Works reports that the results of the proposed \$50,000 study of architectural barriers could be used in conjunction with a future bond issue to repair these City-owned buildings. According to Mr. Moss, information from the first study of architectural barriers for disabled persons in City buildings was used to identify the proposed facilities to be repaired in the \$59.7 million General Obligation bond issue (See Item 24 - File 215-89-4).

4. Mr. Richard van Hungen Groth of the Bureau of Architecture advises that the proposed survey is scheduled to begin in July of 1989 and is expected to be completed by November of 1989. Progress on the survey work will be reported to the Mayor's Disability Task Force and requests and recommendations of the Task Force will be included in the work of the survey.

Recommendation: Approve the proposed ordinance.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 26 - File 101-88-148

Department: Real Estate , Public Utilities Commission (PUC) and Hetch Hetchy Project

Item: Reappropriate funds for preliminary activities supporting the City's purchase of an eleven story office building.

Amount: \$100,000

Source of Funds: Surplus funds previously appropriated for the construction of Hetch Hetchy's Warnerville Facilities (which are now completed).

Description: The Real Estate Department reports that it has been seeking the purchase of office building space in the Civic Center area in order to relieve the City of paying increasingly higher office rents for various City departments which do not own sufficient office space of their own. The Real Estate Department has found the 1155 Market Street building for sale and has encouraged the Hetch Hetchy Project to purchase it since the Hetch Hetchy Project together with the PUC Utilities Engineering Bureau currently occupy four floors of the building.

The requested \$100,000 reappropriation request would be used as follows:

Bond Counsel	\$50,000
Independent Appraisal	15,000
Building assessment including mechanical, structural, and electrical engineering and life safety study	25,000
Additional analyses which may be required (such as costs to move computers)	<u>10,000</u>
Total amount requested for reappropriation	\$100,000

The anticipated costs of acquiring 1155 Market Street are as follows:

Building	\$22,400,000
Debt Service Reserve Fund	2,624,000
Tenant improvements	680,000
Relocation costs	40,000
Cost of issuing Certificates of Participation	<u>500,000</u>
Total Estimated Acquisition Costs	\$26,244,000

The Chief Administrative Officer is administering the financial arrangements for the proposed purchase of 1155 Market Street. The CAO's Office anticipates financing the proposed building acquisition with certificates of participation* (which would not require voter approval) issued at 6.95 percent for thirty years.

Over 30 years, from July 1, 1991 through June 30, 2020, the City's total estimated costs of owning and operating 1155 Market Street, as projected by the CAO's Office, are as follows:

Certificates of Participation (Includes above acquisition costs of \$26,244,000 plus interest) \$79,419,833

Lost property taxes currently paid to the City	990,510
Building maintenance	28,545,249
Trustee fees	<u>480,000</u>
Total 30 year costs of ownership	\$109,435,592
Less Earnings from the above Debt Service Reserve Fund and less rental income from the 425 Mason Street City-owned building	<u>(22,119,291)</u>
Total Estimated Costs	\$87,316,301

* The CAO will make all necessary determinations as to the legality of using Certificates of Participation.

Over the same 30-year period, the Department of Real Estate estimates that the City would save \$87,384,836 in rental payments which would be required should the City not purchase the 1155 Market Street building.

Under the City's present plans, the Workers Compensation (from leased space at St. Francis Hospital), the Health Services System (from leased space at 1212 Market Street) and the Controller's Information Services Division (ISD) (from leased space at 110 McAllister) will be moving to and leasing space in the 1155 Market Street building before the end of 1989. With these City units leasing space in the 1155 Market Street building, together with the Employees Retirement System, Hetch Hetchy Project and the PUC Utilities Engineering Bureau (all of which are currently leasing space in 1155 Market Street), the City will be leasing approximately 68 percent of the rentable space in the 1155 Market Street building.

Should the City purchase the 1155 Market Street building, which would be initiated under this proposed request for \$100,000, the PUC would move the Water Department's Administrative Offices, and the PUC Bureaus of Management Information and Finance, from their present locations at 425 (City-owned) and 414 (leased space) Mason Street. This would result in consolidating various PUC Bureaus into the City-owned (1155 Market Street) facility.

Recommendation: Approve the proposed supplemental appropriation request.

Item 27 - File 168-89-4

This item considers authorizing the purchase of Lot 76, Block 2949A, or the west side of O'Shaughnessy Boulevard with Open Space Funds. At the time this report is being prepared, the file for this item contains no legislation or correspondence. The City Attorney's Office has been requested to draft the appropriate legislation.

The Real Estate Department reports that the subject property is not currently being considered by its staff for purchase. However, its research finds that the subject property is a 106,512 square foot vacant lot owned by the University of San Francisco. The property is covered by naturally growing, wild scrub brush. The property runs parallel to O'Shaughnessy Boulevard and Marietta Drive. The property is separated from O'Shaughnessy Boulevard by a 200 foot strip owned by the City. As a result, the property has no access to the street. The property is zoned for single family residences and is surrounded by detached single family homes.

The Recreation and Park Department reports that the subject property has been considered for acquisition by the Open Space and Park Renovation Fund and the Open Space Committee decided not to purchase the proposed site. Although the property is near the Glenn Canyon Park, the Department reports that the property has no apparent recreational value and may be held as open space.

Items 28 and 29 - Files 168-89-3 and 168-89-3.1

Department: Real Estate and Recreation and Park Departments

Proposed Actions:

1. The proposed motion (File 168-89-3) would declare the intention of the Board of Supervisors to hold a public hearing to consider adoption of a resolution of necessity in connection with the acquisition of Lot 6 in Assessor's Block 2050A by eminent domain for the City's Open Space Program.
2. The proposed resolution (File 168-89-3.1) would authorize the acquisition of Lot 6 in Assessor's Block 2050A by eminent domain for use as open space.

Location: Assessor's Block 2050A, Lot 6 is located at 1848 - 14th Avenue on the east side of the street just north of the Pacheco Street intersection.

Annual Property Taxes Assessed: \$2,223.60 on an assessed valuation of \$204,000.

Amount: \$450,000

Source of Funds: Open Space and Park Renovation Fund (Project 65801: Various Locations, Acquisition/Development)

Description:

The subject property is undeveloped land on the east slope of Golden Gate Heights, below homes built on the southside of Funston Avenue near Aerial Way. The subject property is approximately two blocks north of Sunset Heights Park and is claimed to be the last undisturbed, natural chert rock outcropping in the Sunset District. The property is zoned for single family use and is surrounded by large single family homes.

The subject property is 34,625 square feet and has been appraised at \$450,000 by a private independent appraiser hired by the City. The City's appraiser estimates that seven homes could be constructed on this property. The current owner of the property claims that the property is worth \$2.1 million and that as many as 14 homes could be built on the property. The Recreation and Park Department's Open Space Plan calls for leaving the subject property as is in its natural state.

BOARD OF SUPERVISORS
BUDGET ANALYST

Comments:

1. The subject property contains a shearwall cliff which is open to public access. The City may be liable if it owns the property and an individual is injured falling from the cliff. The City's Risk Manager could be requested to prepare a report analyzing the risks involved by the City's ownership of the subject property and recommending the appropriate measures to be taken to limit any such risk.

2. Should the Finance Committee wish to approve the acquisition of the property by eminent domain, which is the subject of this legislation, the proposed motion (File 168-89-3) should be amended by the Finance Committee to include an appropriate date for the full Board of Supervisors to hold the required public hearing. The proposed motion (File 168-89-3) should also be amended to substitute language from "directing the Board of Supervisors" to "declaring the intention of the Board of Supervisors" in the title.

3. Section 1245.235 of the Code of Civil Procedure requires that a public hearing be held by the full Board of Supervisors, to hear testimony and to make findings by a two-thirds vote that there is or is not a public interest and necessity for the City to acquire property through eminent domain. If the finding by the full Board of Supervisors at a public hearing is in favor of acquiring the property, the other proposed resolution, (File 168-89-3.1), authorizing acquisition of the parcel through eminent domain, would then be considered by the Board of Supervisors.

Recommendation:

Continue this item until the City's Risk Manager has submitted a risk analysis report, as described in Comment 1 above. Acquisition of this property for open space purposes rather than allowing its development for housing is a policy matter for the Board of Supervisors.

Item 30 - File 97-89-22

Department: Adult Probation

Item: Ordinance amending the City's Administrative Code to increase from two percent to ten percent, the maximum fee collected for administrative costs of collecting restitution.

Description:

1. This proposed ordinance would increase the administrative fee, to be charged by the Adult Probation Department, on all cases of court ordered restitution payment from the current two percent rate to a maximum fee of ten percent of the Department's costs to collect the restitution payments. A restitution payment is a court ordered fine that is imposed upon the defendant, collected by the Department and paid to the victim.
2. The Adult Probation Department will incur an estimated \$128,695 in costs in collection of restitution payments in FY 1989-90, according to Ms. Kathryn Hile, Business Manager, of the Department. These costs are comprised exclusively of salaries and mandatory fringe benefits of Department staff involved.
3. The Adult Probation Department estimates that the increased fee will generate revenues of approximately \$45,000 per year greater than prior years based upon anticipated restitution collections of \$556,850. In FY 1988-89, the Department is estimated to generate approximately \$11,000 of fee revenue based on a two percent rate, as compared with the projected approximate amount of \$56,000 of fee revenues that would be generated in FY 1989-90, based on a ten percent rate, if this ordinance is approved. At the present fee rate of two percent, the Department's costs are approximately \$117,695 greater than the fees collected (\$128,695 in costs less \$11,000 in fees). At the proposed ten percent rate, the Department's costs would be approximately \$72,695 greater than the fees collected (\$128,695 in costs less \$56,000 in fees). The actual fees collected will vary depending upon the amount of the court ordered restitution payments.

Comment: The Board of Supervisors previously approved a resolution which authorized the establishment of an administrative fee on all cases of court order restitution payments at a maximum rate of two percent, or actual cost whichever is less, of collecting restitution. (Resolution No. 455-82).

Recommendation: Approve the proposed ordinance.

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Item 31 - File 97-89-23

Department: Adult Probation

Item: Ordinance amending the City's Administrative Code to establish a fee to cover certain administrative costs.

Description: 1. This proposed ordinance would authorize the Adult Probation Department to charge a fee to cover its administrative costs incurred in collecting any restitution fines. The fee would be based on ten percent of the fines paid, pursuant to Section 13967 State Government Code. A restitution fine is imposed by the courts upon any person convicted of one or more felony offenses and is collected by the Department and remitted to the State.

2. The Adult Probation Department will incur an estimated \$51,478 in administrative costs to collect restitution fines in FY 1989-90, according to Ms. Kathryn Hile, Business Manager, of the Department. These costs are comprised exclusively of salaries and mandatory fringe benefits of Department staff involved.

3. The Adult Probation Department estimates that establishment of the proposed ten percent fee will generate approximately \$3,393, annually. At the proposed ten percent rate as established by the Government Code the Department's costs would be approximately \$48,085 greater than the fees collected. The actual amount collected will vary depending on the court restitution fines imposed. The fines imposed generally average approximately \$100. Therefore, if the proposed fee is approved, the additional fee would average approximately \$10.

Recommendation: Approve the proposed ordinance.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 32 - File 101-88-151

Department: Adult Probation

Item: Supplemental Appropriation Ordinance appropriating funds for installation, modification, equipment, production and maintenance costs of cash automated accounts receivable system.

Amount: \$109,933

Source of Funds: Projected surpluses in the following accounts:

Permanent Salaries - Miscellaneous	\$82,450
Mandatory Fringe Benefits	<u>27,483</u>
Total	\$109,933

Description: The implementation of this automated accounts receivable system will provide the Adult Probation Department with not only the ability to adequately maintain an accounts receivable ledger, but also to facilitate in the collection process by providing timely billing, aging of accounts and various management reports to effectively carry out its responsibilities. The Department, at this point, cannot adequately determine which accounts are delinquent and consequently cannot deliver billings in a timely manner.

The Department conservatively estimated that upon completion of this project, collections will increase by at least \$250,000 during the first year of operation and at least \$900,000 over the first three years of system operations. These collections translate into a net benefit of \$140,000 during the first year of operation with greater net benefits in subsequent years.

The system would also allow the Department to participate in the State's tax-intercept program by providing to the State Franchise Tax Board a listing of delinquent accounts, over 90 days.

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The Information Services Division of the Controller's Office estimates the first year project's costs as follows:

System Installation Costs

(first six months)

Programmer Cost	\$40,004	
Computer Usage Cost	<u>6,000</u>	
		\$46,004

Production and Maintenance Costs

(second six months)

Programmer Cost	\$44,329	
Computer Usage Costs	7,800	
Equipment Costs	<u>11,800*</u>	
		<u>63,929</u>

Total		\$109,933
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- * Equipment consists of 8 terminals, 1 printer, controller, modems and host connect costs, being leased from ISD as well as leased telephone lines and one time installation charge of \$5,000, for computer cable within the Hall of Justice.

Comments:

1. After the first year, annual maintenance costs as estimated by ISD are as follows:

Programmer	\$35,139
Equipment Support	1,358
Computer Usage Cost	15,600
Equipment Cost	<u>13,630</u>
Total	\$65,727

2. This project was approved by EIPSC.
3. The Department has not budgeted the anticipated revenue increase in FY 1989-90 as it is unsure that the project will be completed on a timely manner.
4. In response to the Budget Analyst's inquiry, Sonoma County reports an estimated increase of approximately 25-35 percent in revenue collections due to that County's similar system implementation.

Recommendation: Approve the proposed ordinance.

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Item 33 -File 47-89-6

Department: Parking Authority

Item: Resolution increasing the "early bird" parking rate at Moscone Center Garage from \$5.00 to \$7.00.

Description: 1. The original early bird parking rate of \$4.00 was established for the Moscone Garage in July, 1984, and was increased to \$5.00 in August, 1988. According to the Parking Authority, the current prevailing early bird rate in the area is \$6.00. The Authority advises that an expected decrease of early bird traffic due to a rate increase to \$7.00 would be more than offset by the percentage increase in the rate, thus increasing total revenues to the Authority.

2. In excess of 50 percent of the Garage's space is currently used by early bird traffic.

3. In the past year, approximately 1,800 surface parking spaces in the vicinity of Moscone Center have been lost due to construction activities, significantly increasing the demand for parking spaces in the area.

4. In FY 1987-88, total revenues accruing to the City from the operation of the Garage were \$503,544. The Parking Authority estimates that such revenues will total \$620,000 for FY 1988-89. The Parking Authority further estimates that such revenues would have increased by \$34,500 to a total of \$654,500 for FY 1988-89 if the early bird rate of \$7.00 had been in effect.

5. Annual deficiencies between debt service on the Moscone Garage and the Garage's net operating profits are borne by the City's General Fund. For FY 1987-88, the amount required from the General Fund was \$730,575, and is projected to be \$295,394 for FY 1988-89. According to the Parking Authority, the refinancing of the Moscone Garage's debt is the principal reason the amount required from the General Fund decreased in the FY 1988-89.

Comments: The Parking Authority advises that a rate increase would assist it in achieving its dual objectives of obtaining a fair rate of return on its garages, required in the case of the Moscone Garage to service debt, while discouraging long-term parking.

Recommendation: Approve the proposed resolution.

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Item 34 -File 101-88-157

Department: Parking Authority

Item: Ordinance appropriating funds for a capital improvement project

Proposed Amount: \$37,500

Source of Funds: Off Street Parking Fund

Description: 1. A total of 933 parking meters have been vandalized since the latter part of 1986 in the Mission District area bounded by Market Street, Cortland Avenue, Potrero Avenue, and Valencia Street. These acts of vandalism have occurred at a greatly varying monthly rate, from a high of 439 individual acts in October of 1986, to two such occurrences in September, 1987.

2. There are approximately 2,000 parking meters in the subject area. According to the Department of Public Works Bureau of Traffic Engineering, these meters have a vandal resistant malleable iron coin vault with an aluminum alloy upper mechanism case. However, the dome portions of the upper mechanism cases are being pried off, which results in a damaged mechanism of the locks and related parts. Some of the domes and mechanisms have been stolen.

3. The reported 933 vandalized parking meters have been repaired with aluminum alloy mechanisms.

4. The Bureau of Traffic Engineering reports that a malleable iron upper mechanism case, with design features which attempt to thwart the type of vandalism which the area has been experiencing, has been recently introduced. The Bureau has tested several of the new cases and confirms that they are more difficult to vandalize. The cost of each case, including sales tax and freight, is \$75.

5.. The Parking Authority is requesting to purchase 500 of the dome upper mechanism cases of the malleable iron type at a cost of \$75 each for a total cost of \$37,500. If these new mechanisms prove to be sufficiently more vandal proof than the current type, the Parking Authority plans to expand their use throughout the City.

Memo to Finance Committee
June 7, 1989

6. The installation work would be performed as a part of the routine meter maintenance program. The Bureau of Traffic Engineering estimates that installation of the domes would be completed approximately two months after receiving them.

Recommendation: Approve the proposed ordinance.

Item 35 - File 151-89-1

1. The proposed resolution would find that a Pier 36 Ship Repair Facility is of benefit to the Rincon Point-South Beach Redevelopment Project Area, that there is no other reasonable means of financing this Facility and consenting to such financing.

2. In 1984, the Board of Supervisors approved an Option to Lease Real Property (Ordinance No. 389-84) between the Port of San Francisco and the San Francisco Redevelopment Agency (SFRA). This agreement included the provision that the Port would lease Pier 40 to the SFRA for the development of Pier 40, with the condition that the SFRA would pay the Port the costs of relocating an existing ship repair facility tenant from Pier 40 to another location and would pay for the cost of replacing the ship repair facility presently on Pier 40. The Port proposes relocating the ship repair tenant from Pier 40 to Pier 36 and has requested that the SFRA construct a replacement ship repair facility on Pier 36, which is the subject of the proposed resolution. The proposed Pier 36 Ship Repair Facility would be owned by the City and County of San Francisco, acting through the San Francisco Port Commission.

3. In 1984, the Board of Supervisors also approved a financing plan for the South Beach Harbor and Park Complex and approved of the issuance of up to \$45 million of bonds by the SFRA (Resolution No. 703-84), of which a portion of these bonds were intended to finance the cost of the proposed Pier 36 Facility. In 1986, the SFRA issued \$23.9 million of bonds (1986 Issue A) for the South Beach Harbor Project. A portion of the proceeds of these bonds was intended to be used to pay for the construction of a Ship Repair Facility on Pier 36. These bonds have been secured by tax increment funds and operating revenues from the South Beach Harbor and the Pier 40 Project.

4. The necessary bonds have therefore already been issued and the required tax increment revenues have already been pledged to be used for the repayment of the bonds. The SFRA is now proposing to commit a portion of the bond proceeds to fund the construction of the Pier 36 Facility. According to the California Health and Safety Code Section 33679, before the SFRA can commit to use tax increment funds to pay for the construction of the Pier 36 Ship Repair Facility, or commit to pay for all or a part of the costs of construction of any publicly owned facility, the Board of Supervisors is required to hold a public hearing and approve of the matter.

5. According to the SFRA, the Pier 36 Facility is estimated to require \$6.3 million of tax increment funds over a 30-year period. This is in relation to the total South Beach Harbor and Park Complex, which is projected to generate approximately \$23.7 million over a 30-year period. The cost of the Pier 36 Facility is therefore approximately 26.6 percent of the total amount of funds available.

6. According to a letter dated May 9, 1989 from Mr. Michael Huerta the Port's Executive Director, the Port advises that there is no other reasonable means of financing the proposed improvements on Pier 36. This letter also states that the SFRA is required to fulfill this obligation according to paragraph 3(c) concerning Relocation and Replacement Costs in the 1984 Option Agreement between the Port and the SFRA.

Comments

In response to inquiries by the Budget Analyst, the Redevelopment Agency reports that although the bonds and the tax increment revenues to repay the bonds have already been approved by the Board of Supervisors, the proposed funds to be expended for the construction of the Pier 36 Facility are included in the SFRA's 1989-90 proposed budget. However, to date, the SFRA's 1989-90 budget has not been approved by the Board of Supervisors. The SFRA is therefore requesting that the proposed resolution be continued until after the SFRA's budget has been approved by the Board of Supervisors.

Recommendation

As requested by the Redevelopment Agency, continued the proposed resolution to the Call of the Chair.

Item 36 - File 101-88-142

Department: Public Utilities Commission (PUC)
Municipal Railway

Item: Supplemental Appropriation Ordinance

Amount: \$248,811

Source of Funds: General Fund Reserve

Description: The PUC-Security Bureau provides security services for the Municipal Railway through a monthly purchase order agreement with Burns International Security Services. The PUC reports that increased vandalism (specifically graffiti) over the past eight months required the hiring of additional guard services from Burns International Security Services in order to improve protection of the Railway fleet.

PUC's 1988-89 budget included \$514,490 for payment of security services. Of the \$514,490 available for security services \$153,604 was expended for guard dog services and \$360,886 was available for guard services provided by Burns International Security Services. Based on actual expenditures from July 1, 1988 through February 28, 1989, the PUC projects that the total expenditures for Burns International Security Services will be \$609,697 in fiscal year 1988-89. The PUC's projected 1988-89 total expenditures and projected shortfall for these services is as follows:

1988-89 Budget Appropriation	\$360,886
Less Actual Expenditures 7/1/88 through 2/28/89	359,697
Projected Expenditures - 3/1/89 through 6/30/89	<u>250,000</u>
Total Projected Expenditure	<u>609,697</u>
Projected Budgetary Shortfall	\$248,811

Comment:

At the time the PUC prepared the request for this supplemental appropriation, the actual amounts expended for the security services for the months of March and April, were not known. The amount that was projected for these two months and for the months of May and June, was \$62,500 for a total of \$250,000 as noted above. The PUC has now provided the actual amounts expended for March and April, which are \$61,096 and \$61,904 respectively. Based on these actual expenditures and projected expenditures of \$62,000 each for May and June, the Budget Analyst projects a total expenditure of \$606,697 for fiscal year 1988-89, resulting in a projected budgetary shortfall of \$245,811. The amount of the supplemental appropriation request should therefore be decreased from \$248,811 to \$245,811 for a savings of \$3,000.

Recommendations:

1. Amend the proposed legislation to decrease the amount of the supplemental appropriation from \$248,811 to \$245,811.
2. Approve the proposed legislation as amended.

Item 37 - File 101-88-158

Department: Municipal Railway (MUNI)

Item: Supplemental appropriation request for MUNI - Judgements and Claims Account

Amount: \$960,000

Source of Funds: General Fund Reserve

Description:

1. The 1988-89 MUNI budget includes \$6,540,000 for its Judgements and Claims account.
2. On November 28, 1988, the Board of Supervisors approved Ordinance No. 518-88, increasing the MUNI's Judgements and Claims account in the amount of \$2,800,000 with a supplemental appropriation to cover pending extraordinary claims. This revised the budget to \$9,340,000.
3. As a result of additional claims, claims carried over from the previous fiscal year, other extraordinary claims and settled claims pending in the City Attorney's Office, the Public Utilities Commission (PUC) is requesting a \$960,000 supplemental appropriation to complete the payment of claims pending for the current 1988-89 fiscal year.

Claims Paid (July 1988-May 1989)	\$5,485,284
Projected Claims (June 1989)	<u>498,662</u>
Subtotal	\$5,983,946
Extraordinary Claims	2,573,890
1987-88 Carry-over Claims	1,300,000
Claims Pending in City Attorney's Office	<u>590,216</u>
Total 1988-89 Claims	\$10,448,052
Less 1988-89 Revised Budget	<u>9,340,000</u>
Anticipated Budget Deficiency	\$1,108,052
Supplemental Appropriation Amount	<u>960,000</u>
Remaining Deficiency	\$148,052

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Comments:

1. During the first eleven months of the current fiscal year, 1,343 claims were paid out for a total of \$5,485,284. This represents an average cost per claim of \$4,084.35.
2. Mr. Carlos Jacobo of the PUC Finance Bureau advises that any further deficiency of funds in the Judgements and Claims account will be carried forward into the next (1989-90) fiscal year.
3. The total Judgements and Claims amount for 1988-89 of \$10,448,052 compares with the 1987-88 amount of \$5,587,152, a difference of \$4,860,900.

Recommendation: Approve the proposed ordinance.

Item 38 - File 101-88-143

Department: Department of Social Services (DSS)
Item: Supplemental Appropriation Ordinance
Amount: \$300,000
Source of Funds: State Department of Social Services - In-Home Supportive Services Allocation

Description: The State Department of Social Services (SDSS) awarded the City an In-Home Supportive Services (IHSS) allocation of \$26,007,562 for FY 1988-89. IHSS services include domestic care, non-medical personal care and protective supervision services provided for the purpose of delaying or preventing out-of-home placement of the aged, blind or disabled. Such services enable IHSS clients to remain in or return to their homes and thus avoid inappropriate institutionalization.

IHSS services are provided to eligible City residents either by an employee of Remedy Home and Health Care Inc., an agency under contract to the City, or by an Individual Provider arranged by the person being served and paid directly by the State. Of the \$26,007,562 awarded to the City for the IHSS allocation for FY 1988-89, \$7,884,385 was approved for payment of the City's contract with Remedy Home and Health Care Inc. and \$18,123,177 was held by SDSS for direct payment by the State to Individual Providers.

DSS did not receive State approval of the \$7,884,385 for payment of the contract with Remedy Home and Health Care Inc., until August of 1988. An estimated amount of \$7,326,000 was included in the Department's 1988-89 budget for payment of this contract. The total 1988-89 expenditures for these contractual services is now projected to be \$7,626,000.

DSS has therefore projected a budgetary shortfall of \$300,000 in the Home Contractual Assistance account based on actual expenditures from July 1, 1988 through May 10, 1989. DSS's projected 1988-89 total expenditures and projected shortfall is as follows:

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1988-89 Budget Appropriation	\$7,326,000
Less Projected Expenditures:	
Actual Expenditures -	
7/1/88 through 5/10/89	\$6,296,255
Projected Expenditures -	
5/11/89 through 6/30/90	<u>1,329,745</u>
Total Projected Expenditure	<u>7,626,000</u>
Projected Budgetary Shortfall	\$ 300,000

Recommendation: Approve the proposed ordinance.

Item 39 - File 101-88-144

Department: Department of Social Services

Item: Ordinance, providing for a supplemental appropriation of \$5,000,000 for foster care, rescinding \$8,000,000* from Aid to Families with Dependent Children (AFDC), and providing for ratification of actions previously taken.

Amount: \$5,000,000

Source of Funds:	\$3,285,000	State Foster Care funds
	1,215,000	Federal Foster Care funds
	400,000	General Fund Savings from lower AFDC costs *
	<u>\$ 100,000</u>	General Fund Reserve
	\$5,000,000	TOTAL

State and Federal Foster Care subventions are estimated to pay for 90 percent, or approximately \$4.5 million, of this supplemental appropriation request. The remaining ten percent, or approximately \$500,000, would be funded from General Fund Savings from reduced AFDC costs and from the General Fund emergency reserve.

* (In order to make the \$400,000 in General Fund savings available for Foster Care, the \$8,000,000 appropriation for AFDC must be rescinded.)

Analysis:

1. The amount originally specified in the Mayor's 1988-89 recommended budget for Foster Care Aid Payments was \$27,177,000, approximately \$1.8 million less than 1987-88 expenditures. DSS reports that foster care expenditures are estimated at approximately \$33 million in 1988-89. The difference between the amount originally budgeted for FY 1988-89 (\$27,177,000) and the projected expenditures (approximately \$33 million) is the subject of the proposed supplemental appropriation.

2. The cost of foster care is shared by state, federal, and local governments. The City's share is currently ten percent. Normally, the local share (or net General Fund costs) of the Foster Care program is intended to be approximately 5.26 percent, or 4.74 percent less than the actual ten percent share that the City is paying. This local "overmatch" of State and Federal funds costs the City's General Fund approximately \$2.7 million annually. The proposed supplemental appropriation includes \$500,000 in local funds, approximately \$237,000 more

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than would be needed from local sources if the City's costs were within State guidelines. DSS reports that a portion of the foster care cases do not get approved for reimbursement by the State. This accounts for the City's overmatched funds. However, DSS has succeeded in reducing the local matching rate from 12 percent last year to ten percent this year.

4. The Budget Analyst has reviewed the caseload and cost projections for foster care, as provided by the DSS and the Controller's year end fund balance projections. Based on current rates of expense and caseload trends, this supplemental appropriation request is justified.

Recommendation: Approve the proposed ordinance.

Item 40 - File 101-88-153

Department: Department of Social Services

Item: Ordinance appropriating State Adoption Aid funds and providing for ratification of action previously taken.

Amount: \$450,000

Source of Funds: State of California Department of Social Services, Adoptions Assistance Program. The Adoptions Assistance Program is a 100 percent State-funded program that provides financial assistance to adoptive parents of hard-to-place children. This is a request to accept and expend State funds up to the amount of \$450,000. Because the DSS has already incurred expenditure obligations which exceed the appropriation for these State funds, the Controller has indicated in the proposed ordinance that approval would require ratification of action previously taken.

Analysis: DSS originally budgeted \$1,250,000 in fiscal year 1988-89 for the Adoptions Assistance Program and now estimates that the Program will cost \$1,700,000 in 1988-89, which translates into an increase of \$450,000. Our projections indicate that, assuming the 1988-89 average monthly stable expenditure rate, DSS will spend approximately \$1,676,000 on Adoption Aid in 1988-89, which would translate into an increase of \$426,000. However, normal variation in expenditure patterns may occur which could result in greater than projected spending. Approval of this proposed ordinance would authorize DSS to expend State funds up to an additional amount of \$450,000.

Recommendation: Approve the proposed ordinance.

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Item 41 - File 101-88-161

Department: Department of Social Services (DSS).

Item: Ordinance, providing for a supplemental appropriation of \$3,500,000 for General Assistance payments and providing for ratification of action previously taken.

Amount: \$3,500,000

Source of Funds: General Assistance Aid payments are a 100 percent local expenditure and are normally drawn from General Fund monies. However, the Controller reports that the General Fund Reserve has been depleted and has identified surplus Property Transfer Taxes as a source of funds for this supplemental appropriation request.

Analysis:

1. In 1987-88, DSS paid out \$23,442,000 in General Assistance Aid. DSS budgeted \$23.05 million in 1988-89 for General Assistance Aid payments. DSS now reports that General Assistance expenditures will reach \$26.55 million for 1988-89, resulting in a shortage of approximately \$3.5 million. Assuming that average monthly caseload levels remain stable for May and June, 1989, we project that total General Assistance Aid expenditures will reach \$26.11 million by the end of the fiscal year, resulting in a shortage of approximately \$3.06 million, or \$440,000 less than the DSS request. However, see points 2 and 3 below.
2. Monthly caseload information furnished by DSS indicates that monthly caseloads increased 15.3 percent between July, 1988 and March, 1989, with the caseload reaching a high of 8,528 cases during March of 1989. DSS reports that this increase was due to:
 - o A court ruling [Jennings v. Jones (1985)] that relaxed the regulations and procedures regarding discontinuing of clients. As a result of the court's decision, new standards for discontinuance became effective December 1, 1988, and improved clients' ability to comply with program requirements.
 - o A stipulated agreement between DSS and Legal Aid [Neville v. Randolph (1987)] that required DSS to provide more assistance to clients in obtaining proof of identification, which is required for continued General Assistance Aid.

- o The elimination of the fixed address requirement. A 1987 court ruling found that a client did not have to have a fixed address to be eligible for General Assistance (GA), thus making homeless people eligible for GA. San Francisco DSS dropped the address requirement in April of 1988, and has subsequently experienced a caseload increase related to homeless clients of 500 percent.
 - o Increased worker caseloads which have resulted in a backlog of 1,400 reinvestigations of GA cases.
3. Given these higher monthly caseloads, we project that DSS expenditures on GA will range from approximately \$26.43 million to as much as \$26.9 million for fiscal year 1988-89. If the caseload level continues to grow at an increasing rate, the \$3.5 million proposed supplemental appropriation may be insufficient to cover the actual expenditures.

Recommendation: Approve the proposed ordinance.

Item 42 - File 101-88-150

Department: San Francisco Fire Department

Item: Supplemental Appropriation Ordinance to increase the Professional - Special Service Contract budget of the Consent Decree Division.

Amount: \$175,000

Source of Funds: General Fund - General Reserve

Description: The development and administration of promotional examinations for the positions of Captain and Battalion Chief are required by the Consent Decree to be completed by December, 1989. In order to meet the Federal Court's revised requirements, the Fire Department test preparation experts must be obtained immediately. By beginning immediately, the Fire Department expects to give the H30 Captain examination in October, November and December, give the H40 Battalion Chief examination in November and December and post eligibility lists for both classifications by December 31, 1989.

CORE Corporation (CORE) has been selected to develop and administer the examinations. Although CORE Corporation was not the lowest bidder, CORE was selected based on CORE's known ability to produce examinations that are free of defects that otherwise could result in lengthy and costly litigation to cure the defects. For the initial \$175,000 phase of the contract, CORE will conduct job analyses at the Fire Stations and will then develop examinations based on the results of the job analyses. CORE's budget for this phase is as follows:

Transportation and Travel	\$ 12,000
Professional Fees (1,087 hours at \$150 per hour)	<u>163,000</u>
Total	\$175,000

In the second phase of the project, CORE` will administer the examinations. The cost details for the second phase have not yet been finalized. The Consent Decree Division estimates the second phase will cost approximately \$50,000.

CORE Corporation is actually a consortium of individual consultants. Of the two consultants included in this contract, one is a minority person.

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Comment:

The Fire Department's 1989-90 budget request for the Consent Decree Division includes \$175,000 for the development and administration of the Captain and Battalion Chief examinations. According to Mr. Alan Wong of the Consent Decree Division, the proposed \$175,000 Supplemental Appropriation would supplant the 1989-90 budget request for \$175,000 which could be eliminated except for \$50,000 that Mr. Wong indicates will be needed to complete the second phase (administration of the examinations) in order to meet the Federal Court's mandate. Therefore, the Budget Analyst will recommend deleting \$125,000 from the Fire Department's Consent Decree Division's 1989-90 budget and will recommend reserving the remaining \$50,000 pending finalization of the second phase contract details.

Recommendations:

1. Approve the proposed Supplemental Appropriation Ordinance.
2. The Budget Analyst will present another recommendation to the Finance Committee to delete \$125,000 from the Fire Department's Consent Decree Division's 1989-90 budget request and recommend reserving the remaining \$50,000, upon submission of the Budget Analyst's detailed 1989-90 budget recommendations to the Committee.

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Items 43 and 44 - Files 101-88-156 and 102-88-45

Department: San Francisco Fire Department

Items: Supplemental Appropriation Ordinance (File 101-88-156) to increase budgets for personnel and professional/special service contract costs and ratifying action previously taken.

Annual Salary Ordinance Amendment (File 102-88-45) to create one new position and delete one position in the Consent Decree Division.

Amount: The proposed Supplemental Appropriation Ordinance would appropriate additional funds to the following budget accounts:

Holiday Pay - Uniform	\$148,000
Extended Work Week (Overtime)	<u>2,239,024</u>
Total-Suppression	<u>\$2,387,024</u>

Permanent Salaries - Craft	\$33,000
Temporary Salaries	<u>13,000</u>
Total - Support Services	<u>\$46,000</u>

<u>Consent Decree Project</u>	
Permanent Salaries - Miscellaneous	\$130
Professional - Special Service Contracts	<u>397,000</u>
Total - Consent Decree	<u>\$397,130</u>

Total Proposed Supplemental Appropriation	\$2,830,154
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Source of Funds: Funding would be provided for the proposed Supplemental Appropriation as follows:

<u>General Fund</u>	
Unallocated Real Property Transfer Tax	\$2,202,821

<u>Reappropriation of Fire Department Budget</u>	
Mandatory Fringe Benefits (Consent Decree Pjt.)	140,152
Permanent Salaries - Uniform	352,920
Mandatory Fringe Benefits	<u>134,261</u>

Total Funds Provided	\$2,830,154
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Description:

The Mayor's 1988-89 budget funding level for Permanent Salaries - Uniform, Overtime, Extended Work Week and for Differential Pay was based on a reduced workforce complement of 283 Firefighters and Officers that was the result of the planned elimination of four Truck Companies, one Rescue Squad, one Battalion and one Division. However, subsequent to submitting the 1988-89 budget to the Board of Supervisors, the Federal Court, that was monitoring Consent Decree activities to increase the promotional opportunities for minority Firefighters, froze the Fire Department's workforce level at the 1987-88 complement level of 315 Firefighters and Officers. Lacking the ability to immediately hire the new permanent Firefighters necessary to fill out the full complement of 315 Firefighters and Officers to comply with the Federal Court mandate, existing Firefighters and Officers had to work overtime in order to fully staff the Fire Department at the 315 complement level.

The Consent Decree Division's 1988-89 budget for Professional-Special Service Contracts of \$487,000 included \$280,000 for the Core Corporation for the development of promotional examinations for Firefighters and Lieutenants and \$72,000 for payment of the Auditor/Monitor appointed by the Federal Court to oversee consent decree activities. However, the actual costs for Professional - Special Service Contracts have exceeded the budgeted amounts as follows:

	<u>1988-89 Budget</u>	<u>Actual Costs</u>	<u>Budgetary Shortfall</u>
Core Corporation	\$280,000	\$635,693	\$355,693
Auditor/Monitor	72,000	141,168	69,168
Mathis & Associates - Implementation of affirmative action remedies	*	60,000	60,000
Various Minority Associations- Orientation of Firefighter candidates	<u>*</u>	<u>5,040</u>	<u>5,040</u>
Total - Accounts with Budgetary Shortfalls	\$352,000	\$841,901	\$489,901
Less Surplus Transferred from Training Account			<u>92,901</u>
Net Budgetary Shortfall			\$397,000

*No funds were budgeted for these activities.

BOARD OF SUPERVISORS
BUDGET ANALYST

The 1988-89 budget for the Consent Decree Division included one, new position in the 1720 Data Entry Operator classification. Mr. Rod Keller of Civil Service reports that, upon reexamination of the duties required of this position, Civil Service concluded that the 1808 Management Information System (MIS) Technician I classification is more appropriate to the duties to be performed. Details of these positions are as follows:

<u>Action</u>	<u>Number</u>	<u>Classification</u>	<u>Biweekly Salary</u>	<u>Annual Salary</u>
Create	1	1808 MIS Technician I	\$697-\$842	\$18,192-\$21,976
Delete	1	1720 Data Entry Operator	\$677-\$818	\$17,670-\$21,350

Analysis:

According to the Fire Department, the proposed supplemental appropriation funding amounts (except for the Consent Decree Project) were based on expenditure levels through April, 1989. We have analyzed the Fire Department's updated projections of budgetary surpluses and shortfalls for 1988-89 as follows:

	<u>Revised*</u> <u>1988-89</u> <u>Budget</u>	<u>Actual</u> <u>Expenditures</u> <u>7/1/88-</u> <u>5/12/89</u>	<u>Projected</u> <u>Expenditures</u> <u>5/13/89-</u> <u>6/30/89</u>	<u>Total</u> <u>Projected</u> <u>Actual</u> <u>Expenditures</u>	<u>Projected</u> <u>Budgetary</u> <u>(Shortfall)</u> <u>Surplus</u>
Permanent Salaries-Uniform	\$51,616,814	44,188,495	\$7,168,713	\$51,357,208	\$259,606
Permanent Salaries-Misc.	1,944,051	1,735,220	295,428	2,030,648	(86,597)
Permanent Salaries-Craft	684,901	620,249	104,755	725,004	(40,103)
Mandatory Fringe					
Benefits	50,749,351	43,779,063	6,815,288	50,594,351	155,000
Differential Pay	107,387	102,905	11,642	114,547	(7,160)
Holiday Pay	3,826,437	3,625,195	342,010	3,967,205	(140,768)
Temporary Salaries	38,388	59,916	10,171	70,087	(31,699)
Overtime**	49,070	30,383	18,689	49,072	(2)
Extended Work Week	<u>9,227,232</u>	<u>9,521,654</u>	<u>1,893,179</u>	<u>11,414,833</u>	<u>(2,187,601)</u>
Total	\$118,243,631	\$103,663,080	\$16,659,875	\$120,322,955	\$(2,079,324)

* Including all prior supplemental appropriations.

** Includes overtime for Miscellaneous, Craft and Program Project Staff.

BOARD OF SUPERVISORS
BUDGET ANALYST

Comments:

1. Based on the Fire Department's revised projections detailed in the analysis above, the proposed Supplemental Appropriation Ordinance should be amended as follows:

<u>Source of Funds</u>	<u>Supplemental Appropriation As Requested</u>	<u>Revised Budgetary (Shortfall) Surplus Projections</u>	<u>Increase (Decrease) in Funding Sources and Uses</u>
<u>General Fund - Unallocated</u>			
Real Property Transfer Tax	\$2,202,821	\$2,202,821	-
Mandatory Fringe Benefits - Consent Decree	140,152	144,406	\$4,254
Permanent Salaries - Uniform	352,920	259,606	(93,314)
Mandatory Fringe Benefits	<u>134,261</u>	<u>10,595</u>	<u>(123,666)</u>
Total	\$2,830,154	(\$2,617,428)	(\$212,726)
<u>Appropriation of Funds</u>			
Holiday Pay	148,000	(140,768)	(7,232)
Extended Work Week	2,239,024	(2,007,728) *	(231,296)
Permanent Salaries - Craft	33,000	(40,103)	7,103
Temporary Salaries	13,000	(31,699)	18,699
<u>Consent Decree Project</u>			
Permanent Salaries - Misc.	130	(130)**	-
Professional - Special Service Contracts	<u>397,000</u>	<u>(397,000)**</u>	<u>-</u>
Total	\$2,830,154	(\$2,617,428)	(\$212,726)

* Although the total projected shortfall is \$2,187,601, in order to fully fund all other accounts with available sources of funds, this account can only receive \$2,007,728 from the proposed supplemental.

**These amounts must be appropriated for the Consent Decree Project regardless of changes in the shortfalls or surpluses in the regular Fire Department budget.

2. Although the Fire Department's revised projections indicate that even if the proposed Supplemental Appropriation Ordinance is approved, including the amount of \$2,007,728 for Extended Work Week, there will continue to be a projected deficit of \$179,873 in Extended Work Week, (\$2,187,601 total projected shortfall less \$2,007,728 proposed Supplemental Appropriation). The Fire Department indicates that additional savings, sufficient to overcome the projected \$179,873 remaining Extended Work Week shortfall, may occur in Permanent Salaries because some retirees may opt to be paid their accrued "in lieu of sick pay/vacation" benefits in 1989-90 for income tax reasons.

Recommendations: 1. Amend the proposed Supplemental Appropriation Ordinance (File 101-88-156) to reflect the current information detailed in Comment 1 above, as follows:

	Supplemental Appropriation <u>As Requested</u>	Recommended Increase <u>(Decrease)</u>	Supplemental Appropriation <u>As Amended</u>
<u>Source of Funds</u>			
General Fund - Unallocated			
Real Property Transfer Tax	\$2,202,821	-	\$2,202,821
Mandatory Fringe Benefits -			
Consent Decree	140,152	\$4,254	144,406
Permanent Salaries - Uniform	352,920	(93,314)	259,606
Mandatory Fringe Benefits	<u>134,261</u>	<u>(123,666)</u>	<u>10,595</u>
Total	\$2,830,154	(\$212,726)	\$2,617,428
<u>Appropriation of Funds</u>			
Holiday Pay	148,000	(7,232)	140,768
Extended Work Week	2,239,024	(231,296)	2,007,728
Permanent Salaries - Craft	33,000	7,103	40,103
Temporary Salaries	13,000	18,699	31,699
<u>Consent Decree Project</u>			
Permanent Salaries - Misc.	130	-	130
Professional - Special Service			
Contracts	<u>397,000</u>	<u>-</u>	<u>397,000</u>
Total	\$2,830,154	(\$212,726)	\$2,617,428

The net result is a \$212,726 decrease in the amount of surpluses in Fire Department accounts that are available for reappropriation to accounts having shortfalls. The General Fund amount available to cover Fire Department account shortfalls remains unchanged.

Approve the proposed Supplemental Appropriation Ordinance as amended.

2. Approve the proposed Annual Salary Ordinance Amendment (File 102-88-45).

Item 45 - File 101-88-152

Department: Juvenile Court

Item: Supplemental Appropriation Ordinance to increase the Juvenile Hall materials and supplies budget and to ratify action previously taken.

Amount: \$22,000

Source of Funds: General Fund - General Reserve

Description: The 1988-89 budget of \$218,900 for Juvenile Hall materials and supplies was based on the closure of two housing units and plans to stop housing Status Offenders at the Juvenile Hall and instead placing them in community based facilities. However, because of delays in developing the community based facilities for housing Status Offenders and the increase in Juvenile Hall population due to the "Crack Epidemic," the materials and supplies budget has been depleted.

The Juvenile Court has projected an \$82,000 deficit in the materials and supplies account but has reduced the projected budgetary shortfall to \$22,000 by using \$60,000 in surpluses in other accounts, as follows:

1988-89 Materials and Supplies Budget	\$218,900
Less Estimated Expenditures:	
Actual expenditure from 7/1/88 through 4/28/89	\$253,767
Projected Expenditures from 4/29/89 through 6/30/89	<u>47,133</u>
Total Estimated Expenditure	300,900
Transfers from Accounts with Surpluses:	
Log Cabin Ranch Materials and Supplies Account	\$10,000
Probation Services Other Contractual Services Account	<u>50,000</u>
Total Transfers	<u>60,000</u>
Net Projected Budgetary Shortfall	\$22,000

Recommendation: Approve the proposed Supplemental Appropriation Ordinance.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 46 - File 101-88-155

Department: Commission on the Aging

Amount: \$7,943

Source of Funds: Reappropriation of Commission on the Aging Permanent Salaries - Miscellaneous

Purpose: Overtime Pay in lieu of Compensatory Time Off

Description:

1. The Commission on the Aging reports that the Program Manager for the Commission on Aging was forced to work overtime because of staff turnover, delays in processing Civil Service requisitions, two maternity leaves and one retirement and that such overtime was unexpected and of an emergency nature.
2. The Commission on the Aging further reports that the Program Manager has not been paid any overtime in either of the two proceeding fiscal years, and cannot, because of the current workload of the Department, be given compensatory time off in lieu of overtime pay.

Comments:

1. Mr. Dave Fong, Chief Assistant Controller, advised the Budget Analyst that an amendment of the whole of the proposed ordinance is being prepared which would provide for ratification of action previously taken.
2. The Department reports that the compensatory time was accumulated due to unavailability of staff during the time the overtime work was performed. However, the fiscal year 1989-90 budget includes funding for nineteen staff members. As an alternative to approval of retroactive payment of overtime in lieu of compensatory time off the Department could grant the Program Manager compensatory time off in the coming months when staffing levels permit.

Recommendation: Do not approve the proposed supplemental appropriation ordinance.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 47 - File 101-88-149

Department: Public Library

Item: Supplemental Appropriation Ordinance

Amount: \$113,202

Purpose: Appropriate State Public Library Foundation funds for temporary salaries and mandatory fringe benefits, data processing, equipment maintenance, telephone expense, and materials and supplies to continue Project Read, the City's literacy program; and for the purchase of children's books. The proposed Appropriation would be held in reserve and forwarded into the Public Library's fiscal year 1989-90 budget.

Source of Funds: Public Library Foundation Funds

Local Match: None

Description: Each year, the State allocates Public Library Foundation Funds to County libraries to augment their provision of library services. The San Francisco Public Library budgeted \$500,000 in its 1988-89 budget as its estimate of the State's allocation of Public Library Foundation funds for fiscal year 1988-89. Subsequently, the State actually allocated \$613,202 for 1988-89 to the San Francisco Public Library. Therefore, the Library is now requesting a supplemental appropriation in order to budget and spend the \$113,202 balance (\$613,202 final State allocation less the \$500,000 previously budgeted) of the State allocation not yet appropriated in the 1988-89 budget.

The Library requests appropriation of the \$113,202 balance of the State's allocation of Public Library Foundation funds for fiscal year 1988-89 as follows:

<u>Temporary Salaries</u>	\$42,000
---------------------------	----------

- a) Project Read, the Library's literacy program, is in its 5th and final year of State funding. The position of the Program Director would be funded at \$37,600 for one year, July 1, 1989 - June 30, 1990, to manage the project.
- b) Library policy and procedures project. Funding of \$4,400 would hire a temporary 1426 Senior Clerk Typist for 2 1/2 months to organize and type Library policies and procedures.

BOARD OF SUPERVISORS
BUDGET ANALYST

Fringe Benefits \$10,100

To fund the Project Read Program Director's mandatory fringe benefits.

Equipment \$39,500

Data displayer (\$1,500) to project data on a screen from a computer for demonstration and training purposes.

Workstation (\$8,000) to improve the cataloging capabilities for Chinese, Japanese and Korean language materials.

Six personal computers (\$30,000) to provide computers with printers, modems, workstations and software for library offices and departments.

Telephone \$2,500

Funding for one year for Project Read's telephones.

Materials and Supplies \$10,500

Funding for one year for Project Read. Postage \$3,500. Instructional materials, handbooks, classroom materials and test forms for tutor training and learners \$5,000. Newsletter production \$2,000.

Books \$8,602

Funding to purchase children's books for branches in the southern part of the City.

Total \$113,202

Comments: EIPSC has not yet approved the proposed \$39,500 purchase of computer equipment.

Recommendations: 1. Amend the ordinance by reserving \$39,500 for computer equipment pending EIPSC approval.

2. Approve the proposed ordinance as amended.

BOARD OF SUPERVISORS
BUDGET ANALYST

Items 48 and 49 - Files 127-89-4 and 127-89-5

1. The two proposed ordinances would amend the Municipal Code to continue the City's payroll expense tax rate of 1.6 percent and the comparable business (gross receipts) tax rates from July 1, 1989 to July 1, 1990.

2. If their tax liability is in excess of \$2,500, businesses must pay either the payroll tax or business tax (gross receipts tax) to the City, whichever is higher. In July, 1988, the Board of Supervisors approved an amendment to Section 903 of Part III, Article 12-A of the Municipal Code, which increased the payroll expense tax from 1.5 percent to 1.6 percent annually (Ordinance No. 357-88). In July, 1988, the Board of Supervisors also approved an amendment to Sections 1002, 1004 and 1005 of Part III, Article 12 of the Municipal Code, which increased the comparable business gross receipts tax rates for the various categories of businesses identified in the Municipal Code (Ordinance No. 358-88). Both of these increases represented a 6.7 percent increase.

3. Both Ordinance No. 357-88 and 358-88 became effective as of July 1, 1988. Both of these ordinances also contained a sunset clause, which states that the higher rates shall remain in effect only until July 1, 1989, unless extended by separate legislation of the Board of Supervisors. The two proposed ordinances would extend the current payroll expense tax rates of 1.6 percent and the comparable business gross receipts tax rates for one more year, or until July 1, 1990.

4. The two proposed new ordinances would contain similar sunset clause language, such that these ordinances would be repealed as of July 1, 1990 unless separate legislative action were taken by the Board of Supervisors prior to July 1, 1990 to extend the higher tax rates.

5. According to Mr. John Madden of the Controller's Office, the fiscal year 1988-89 payroll expense tax and gross receipts business tax revenues are currently projected to be \$116,901,000 and \$19,781,000, respectively, for a total of \$136,682,000 for fiscal year 1988-89. Approximately \$7.5 million of these projected revenues are estimated to result from the increased tax rate. Based on the current 1.6 percent rates, the Mayor's recommended fiscal year 1989-90 budget includes estimated payroll expense tax and gross receipts business tax revenues of \$122,880,000 and \$21,146,000, respectively, for a total of \$144,026,000 for fiscal year 1989-90. If the current rates are not continued, the City's 1989-90 tax revenues would be reduced by approximately \$7.5 million to \$8 million.

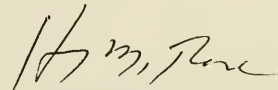
Recommendation

The proposed ordinances to extend the current payroll tax rate of 1.6 percent and the corresponding increases to the gross receipts business tax rate are policy matters for the Board of Supervisors. However, it should be noted that the Mayor's recommended 1989-90 budget assumes extension of these higher tax rates.

**BOARD OF SUPERVISORS
BUDGET ANALYST**

Item 50 through 56 - Files Various

The proposed ordinances and resolution authorizing settlements of litigation are legal matters under the responsibility of the City Attorney's Office. The Budget Analyst does not normally review and report on such items.



Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
President Britt
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

BOARD OF SUPERVISORS
BUDGET ANALYST

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RECESSED CALENDAR
MEETING OF
FINANCE COMMITTEE

Action
Taken

Board of Supervisors
City and County of San Francisco

THURSDAY, JUNE 8, 1989 - 1:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

ABSENT: SUPERVISOR WARD

CLERK: GREG HOBSON

(Note: All Files from Recessed Meeting June 7, 1989.)

1. File 101-89-1. [Interim Annual Appropriation Ordinance] Interim Annual Appropriation Ordinance for fiscal year 1989-90. (Mayor)

ACTION: RECOMMENDED. (To Board as Committee Report, Monday, June 12, 1989.)

2. File 102-89-1. [Interim Annual Salary Ordinance] Interim Annual Salary Ordinance for fiscal year 1989-89. (Civil Service Commission)

ACTION: AMENDED. RECOMMENDED AS AMENDED. (To Board as Committee Report, Monday, June 12, 1989.) (See File for details.)

CLOSED SESSION

3. File 45-89-21. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Minh Phi Tran against the City and County by payment of \$12,000. (City Attorney) RO # 8301 (Superior Court No. 840-950)

ACTION: RECOMMENDED. (To Board as Committee Report, Monday, June 12, 1989.)

4. File 45-89-23. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Carlo Fontanilla against the City and County by payment of \$25,000. (City Attorney) RO # 8312 (Superior Court No. 886-398.)

ACTION: RECOMMENDED. (To Board as Committee Report, Monday, June 12, 1989.)

5. File 45-89-24. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Lauton Renee Trumbo against the City and County by payment of \$12,500. (City Attorney) RO # 8315 (United States District Court No. C87-6118 MHP)

ACTION: RECOMMENDED. (To Board as Committee Report, Monday, June 12, 1989.)

6. File 45-89-25. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Elsdon Johnson against the City and County by payment of \$8,000. (City Attorney) RO # 8316 (Superior Court No. 876-693)

ACTION: RECOMMENDED. (To Board as Committee Report, Monday, June 12, 1989.)

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7. File 45-89-27. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Barry Adrian Johnson against the City and County by payment of \$12,000. (City Attorney) (Superior Court No. 890-706)

ACTION: RECOMMENDED. (To Board as Committee Report, Monday, June 12, 1989.)

8. File 46-89-8. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Larry Piol v Sokhana UI, et al., upon receipt of the sum of \$7,280; and authorizing dismissal of complaint. (City Attorney) (Superior Court No. 898-836.)

ACTION: RECOMMENDED. (To Board as Committee Report, Monday, June 12, 1989.)

9. File 48-89-4. [Settlement of Unlitigated Claim] Resolution approving the settlement of the unlitigated claim of Farmers Insurance Company (insured: Francisco Perez) in the sum of \$7,500. (City Attorney)

ACTION: RECOMMENDED. (To Board as Committee Report, Monday, June 12, 1989.)

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CALENDAR
SPECIAL MEETING OF
FINANCE COMMITTEE

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JUN 15 1989

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Board of Supervisors
City and County of San Francisco

THURSDAY, JUNE 15, 1989 - 1:30 P.M. ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

CLERK: GREG HOBSON

1. File 100-89-16. [Mental Health] Resolution recognizing the importance of the availability of adequate mental health services for residents of all portions of the City of San Francisco, and urging the Mayor and the Health Commission to assure the provision of adequate mental health services for the residents of San Francisco. (Supervisor Nelder)

ACTION:

FINANCE COMMITTEE
BOARD OF SUPERVISORS
ROOM 235, CITY HALL
SAN FRANCISCO, CALIFORNIA 94102

IMPORTANT
HEARING NOTICE

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CITY AND COUNTY



OF SAN FRANCISCO

Library - Document Section
Attn: Larry Roth

BOARD OF SUPERVISORS

BUDGET ANALYST Recommendations

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

June 14, 1989

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JUN 15 1989

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TO: Finance Committee

FROM: Budget Analyst

SUBJECT: June 15, 1989 Special Finance Committee Meeting

Item 1 - File 100-89-16

Note: This item was continued from the May 31, 1989 Finance Committee meeting.

1. The proposed resolution would urge the Mayor and the Health Commission to assure the provision of adequate mental health services for the residents of San Francisco.

2. The Mayor's Budget for Community Mental Health Services (CMHS) for fiscal year 1989-90 totals \$86,276,374 and includes General Fund support of \$35,798,080. This compares to a total budget for fiscal year 1988-89 of \$82,325,463 which included \$33,571,554 in General Fund support.

3. The Mayor's Office reports that the programmatic impact on mental health services of the proposed 1989-90 budget is as follows:

"Most of the 65 mental health clinics will experience no budget cuts in the 1989-90 fiscal year.

However, reductions are being made in seven clinic budgets. (List of clinics attached.) Two small clinics, the Social Skills Center in the Civic Center area and the 29th Street Outpatient Clinic, will be closed. Clients will be directed to other nearby facilities.

The Alemany Day Treatment Center which now conducts activities and group programs for 22 clients on a daily basis, will be restructured to provide vocational and independent living skills for a case load of about 150 to 200."

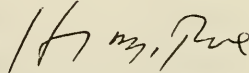
Memo to Finance Committee
June 15, 1989

Comment

The Budget Analyst has reviewed in detail the 1989-90 Community Mental Health Services budget, as well as all other 1989-90 budgets as recommended by the Mayor, and has prepared recommendations for the budget hearings currently being held by the Finance Committee of the Board of Supervisors.

Recommendation

Approval of the proposed resolution is a policy matter for the Board of Supervisors.


Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
President Britt
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

BOARD OF SUPERVISORS
BUDGET ANALYST

CHANGES IN MENTAL HEALTH CLINIC FUNDING

<u>Contract Providers</u>	<u>88-89 Contract</u>	<u>89-90 Contract*</u>	<u>Percent Change</u>
Richmond Area Multi-Services (RAMS)**	\$ 829,000	\$ 809,000	- 02%
Westside**	720,000	709,000	- 02%
Japanese Family Service	112,000	99,000	- 12%
Tenderloin Self-Help	452,000	452,000	0%

Civil Service Providers

Mission Crisis Center	762,000	783,000	+ 03%
Chinatown Child Development Center	900,000	912,000	+ 01%
Center for Special Problems	1,526,000	1,630,000	+ 07%

*Totals include cost of living increases and/or Civil Service salary increases.

** To some degree, Medi-Cal revenues will be available to increase these amounts.

Note: Increases in costs have resulted in service level reductions even though several clinics have small percentage increases in their budgets.

Actions Taken

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CALENDAR
DEPARTMENTAL BUDGET HEARINGS
FINANCE COMMITTEE

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Board of Supervisors
City and County of San Francisco

FRIDAY, JUNE 16, 1989 - 10:00 A.M. ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

ABSENT: SUPERVISOR WARD AFTER PUC

CLERK: GREG HOBSON

1. Hearing to consider the Annual Budget of the City and County of San Francisco for Fiscal Year 1989-90. (Mayor)

PUBLIC WORKS, TRANSPORTATION AND COMMERCE CONTINUED

- 90 Public Works
- 92 Clean Water Program
- 27 Airport
- 39 Port
- 36 Parking Authority
- 75 Electricity
- 40 Public Utilities Commission (PUC)
- 49 PUC Light, Heat and Power
- 35 Municipal Railway

99 CAPITAL PROJECTS

"CATCH-UP SESSION"
War Memorial
Health Department
Civil Service

ACTION: DEPARTMENTAL REVIEW HELD.

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*Actions
Taken*

CALENDAR
SPECIAL MEETING OF
FINANCE COMMITTEE

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Board of Supervisors
City and County of San Francisco

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FRIDAY, JUNE 16, 1989 - 1:30 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

CLERK: GREG HOBSON

1. File 161-89-1. [Redevelopment Agency Budget] Resolution approving the budget of the Redevelopment Agency of the City and County of San Francisco for fiscal year 1989-90 and finding that the Agency's use of tax increment funds for low and moderate income housing both within and outside of its redevelopment Project Areas will be of benefit to such project areas.
(Supervisor Ward)

ACTION: AMENDMENT OF THE WHOLE PRESENTED IN COMMITTEE BY SUPERVISOR WARD. ADOPTED. Amend budget to reduce the expenditure budget by \$659,600, from \$93,325,741 to \$92,666,141. RECOMMENDED AS AMENDED. NEW TITLE: "Approving the budget of the Redevelopment Agency of the City and County for fiscal year 1989-90, and finding that the Agency's use of funds for low and moderate income housing both within and outside of its Redevelopment Project Areas will be of benefit to such project areas."

2. File 161-89-2. [Redevelopment Agency Bonds] Resolution approving and authorizing execution of an indebtedness limitation agreement and approving the issuance by the Redevelopment Agency of the City and County of San Francisco of bonds, notes or other evidences of indebtedness in an aggregate principal amount not to exceed indebtedness in an aggregate principal amount not to exceed \$35,000,000 for the purpose of financing Redevelopment activities in fiscal year 1989-1990.
(Supervisor Ward)

ACTION: AMENDMENT OF THE WHOLE PRESENTED IN COMMITTEE BY SUPERVISOR WARD. ADOPTED. RECOMMENDED. NEW TITLE: "Approving and authorizing execution of an indebtedness limitation agreement and approving the issuance by the Redevelopment Agency of the City and County of San Francisco of bonds in an aggregate principal amount not to exceed \$39,200,000 for the purpose of financing Redevelopment activities in fiscal year 1989-1990."

3. File 161-89-3. [Redevelopment Agency Policies] Resolution approving the housing and economic development policies of the Redevelopment Agency of the City and County of San Francisco.
(Supervisor Ward)

ACTION: AMENDMENT OF THE WHOLE BEARING SAME PRESENTED IN COMMITTEE BY SUPERVISOR WARD. ADOPTED. RECOMMENDED.

4. File 161-89-4. [Joint Powers Authority] Resolution authorizing formation of the City and County of San Francisco Redevelopment Financing Authority with the Redevelopment Agency of the City and County of San Francisco, and authorizing official actions.
(Supervisor Ward)

ACTION: TABLED.

File 161-89-4.1. [Joint Powers Authority] Ordinance authorizing formation of the City and County of San Francisco Redevelopment Financing Authority with the Redevelopment Agency of the City and County of San Francisco, and authorizing official actions.

ACTION: ORDINANCE PREPARED IN AND REPORTED OUT OF COMMITTEE APPROVED AS TO FORM. RECOMMENDED.

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6/16/89

CITY AND COUNTY



(Public Library)
Gerry Roth

OF SAN FRANCISCO

BOARD OF SUPERVISORS



BUDGET ANALYST

Recommendations

1390 MARKET STREET, SUITE 1025

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June 15, 1989

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TO: Finance Committee

FROM: Budget Analyst

SUBJECT: June 16, 1989 Special Finance Committee Meeting

Items 1, 2, 3 and 4 - Files 161-89-1, 161-89-2, 161-89-3 and 161-89-4

Note: Three of these items were continued by the Finance Committee at its meeting of May 31, 1989 pending resolution of legal and financial issues between the City and the Redevelopment Agency. Resolution of these issues resulted in changes to Item 2 (File 161-89-2) and the addition of Item 4 (File 161-89-4).

1. The first proposed resolution (File 161-89-1) would approve the 1989-90 annual budget of the San Francisco Redevelopment Agency (SFRA) and find that the SFRA's use of tax increment funds for low and moderate income housing will be beneficial. The second proposed resolution (File 161-89-2) would approve and authorize the execution of an indebtedness limitation agreement and approve the issuance of SFRA bonds up to \$39.2 million to finance SFRA activities in fiscal year 1989-90. The third resolution (File 161-89-3) would approve the housing and economic development policies of the SFRA. The fourth resolution (File 161-89-4) would authorize the formation of the San Francisco Redevelopment Financing Authority between the City and the SFRA.

2. In previous years, the SFRA operated on a calendar fiscal year basis. This is the first year that the SFRA will be on a fiscal year of July 1 through June 30, which is the same budget year as the rest of the City and County of San Francisco. To accommodate this change, the SFRA developed and operated under a six month budget between January 1, 1989 through June 30, 1989.

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3. The total administrative or operating budget proposed for the SFRA from July 1, 1989 to June 30, 1990 is \$8,738,741, as compared to the previous budget of \$8,706,561, based on calendar year 1988. The SFRA's total expenditure budget request for FY 1989-90 is \$93,325,741, as compared to the previous budget of \$83,303,847 in calendar year 1988. The large difference between the SFRA's administrative budget and the total budget is primarily due to the capital project, debt service and YBC reserve funds. The total SFRA budget for fiscal year 1989-90, as compared with calendar year 1988, is as follows:

<u>Expenditures</u>	<u>1988 Actual Budget</u>	<u>1989-90 Budget Request</u>
Personnel Costs		
Salaries, Permanent	\$5,393,109	\$5,289,249
Fringe Benefits	1,537,040	1,497,792
Contingent Liabilities	<u>600,000</u>	<u>349,000*</u>
Total Personnel	\$7,530,149	\$7,136,041
<u>Expenditures</u>	<u>1988 Actual Budget</u>	<u>1989-90 Budget Request</u>
Consultant Services	104,000	102,100
Travel		
Local	5,600	14,200
Out-of-Town	9,750	10,200
Office Space Rental	350,340	313,300
Supplies	120,260	129,600
Equipment, Lease and Purchase	56,802	166,900
Insurance	251,500	249,500
Equipment Maintenance	55,915	57,400
Telephone	41,440	47,800
Janitorial	21,300	23,200
Postage and Messenger Services	50,925	60,500
Dues and Subscriptions	18,830	32,400
Temporary Employees	44,300	37,100
Training and Conferences	21,250	20,200
Data Processing Development	0	235,000
Other Operating Costs	<u>24,200</u>	<u>103,300</u>
Subtotal	\$1,176,412	\$1,602,700
Total Administrative	\$8,706,561	\$8,738,741
Capital Project & Debt Service	\$63,918,769	\$42,693,000
YBC Reserve	<u>10,678,517</u>	<u>32,274,000</u>
Subtotal	\$74,597,286	\$74,967,000
Total Budget	\$83,303,847	\$83,705,741

* Contingent Liabilities represent the SFRA budgeted reserves for vested sick leave and vacation pay.

BOARD OF SUPERVISORS
BUDGET ANALYST

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	1988 Actual <u>Budget</u>	1989-90 Budget <u>Request</u>
Harbor Enterprise Fund	_____ *	<u>\$9,620,000**</u>
Total SFRA Budget	\$83,303,847	\$93,325,741
<u>Revenues</u>		
Prior Year Savings and Earnings	\$11,996,500	\$3,000,000
Land Sale Proceeds	3,150,750	36,196,000
Rents and Leases	3,778,900	1,200,000
I-280 Transfer Funds	10,735,000	10,000,000
Special Assessment District	4,588,000	0
Prior Yr Bond Proceeds/Tax Increment	37,542,000	0
Unrestricted Agency Funds	3,081,200	0
Short Term Financing	2,649,497	0
1988 Tax Increment	<u>5,782,000</u>	***
Subtotal	\$83,303,847	<u>\$50,396,000</u>
Harbor Enterprise Revenues	_____ *	<u>\$9,620,000</u>
Total Revenues	\$83,303,847	\$60,016,000
Additional Funds Needed to Fund 1989-90 Budget		\$33,309,741
Bond Required to Fund Budget Shortfall		35,063,000
Tax Increment Needed/Year for 30 Year Bond		3,338,000
Tax Increment Currently Available		2,900,000
Additional Tax Increment Needed for 1989-90		438,000
Harbor Tax Increment		<u>160,000</u>
Total Tax Increment Required for 1989-90		\$598,000

* The Harbor Enterprise Fund expenditures and revenues for 1988 are included with the other SFRA expenditures and revenues.

** The proposed Harbor Enterprise Fund for 1989-90 includes \$425,000 for personnel salaries and fringe benefits.

*** See below.

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4. The SFRA is requesting a total of \$93,325,741, which includes \$9,620,000 for the Harbor Enterprise Fund, which is a self sustaining special fund, for a SFRA remaining budget total of \$83,705,741 (\$93,325,741 total budget less \$9,620,000 for the Harbor Enterprise Fund). This budget includes proposed tax financing of \$3,338,000 for the next 30 years through the issuance of a bond of \$35,063,000. Approval of tax increment financing reduces property tax revenues to the City's General Fund.

5. The 1989-90 proposed Capital Expenditures are \$42,693,000. The category, Capital Expenditures, reflects the SFRA's planned expenditures that will be incurred in 1989-90 for planning, legal services, acquisition, rehabilitation, relocation, maintenance, disposition, affordable housing, economic development and other improvements in the SFRA's various specific projects. The following is a brief description of the proposed Capital Expenditures on a project basis:

Hunters Point

\$6,939,000

Hunters Point is being redeveloped as a new residential community with supporting commercial, educational, park and playground facilities and improved street patterns. Approximately 1,644 units of new housing and 122 rehabilitation units are planned. To date, 1,512 of these units have been completed. The Agency's 1989-90 program includes 180 units of subsidized housing.

India Basin

\$71,000

India Basin Industrial Park provides 2.2 million square feet of new facilities and includes private investment of \$87.6 million. Development of 80 of the area's 81 buildable acres have been completed. In 1989-90, completion of the Wing Lee Electric Laundry, construction of a 10,000 square foot office structure and the renovation of an existing structure on Galvez Avenue by the Thomas Plant Company are projected. Approximately 9,000 jobs are projected when the facilities are completed, including an annual payroll of \$300 million. The SFRA reports that prior to redevelopment, annual tax revenues were approximately \$129,000, as compared with the \$513,000 estimated for when India Basin Industrial Park is completed in 1989-90.

Rincon Point-South Beach

\$11,758,000

The Rincon Point-South Beach Project is proposed to transform the area immediately south of the Ferry Building along the waterfront into a new mixed-use waterfront neighborhood, incorporating rehabilitation and new development. In 1989-90, program activities are proposed to include: the completion of Rincon Center, Bayside Village and the Embarcadero Triangle (Delancey Street) development; initiation of the renovation of three historic warehouses and the development of Rincon Point Park and hotel sites; marketing of Pier 40; and the planning and design of South Beach Park.

Western Addition

\$1,875,000

The Western Addition (A-2) Project includes the development of over 5,586 new housing units, the rehabilitation and retention of over 3,965 housing units, the revitalization of the Nihonmachi and Fillmore business districts, construction of new commercial buildings and the provision of new community recreational facilities. The emphasis was on new subsidized housing for low and moderate income families with priority given to non-profit housing sponsors. Budgeted 1989-90 activities include: completion of the Fillmore Center, completion of 43 housing units; development of the community recreational facilities; continued development and negotiation of 21 parcels under Owner Participation Agreements and 12 parcels for Land Disposition Agreements; demolition of four sites, initiation of art sculptures in the Fillmore Center public plaza and completion of the street tree programs.

Yerba Buena Center

\$6,540,000

Yerba Buena Center (YBC) is a 87-acre mixture of rehabilitation and new development, including a major hotel and office building, retail, recreational and cultural activities, located adjacent to San Francisco's downtown office and retail center. During 1989-90, the 1,500 room Marriott Hotel will be completed, construction of the Moscone Convention Center expansion will proceed and the Agency will continue the design of the cultural facilities, gardens and bridges. YBC is projected to be completed in 1993.

Fisherman's Wharf

No Capital Proposed

The Fisherman's Wharf Project includes approximately 38 blocks along the northern waterfront between Piers 33/35 and Aquatic Park. A redevelopment plan for this area is underway and is expected to be completed in 1989-90. The proposed budget does not include any funds for any capital projects for Fisherman's Wharf itself.

South Bayshore

\$510,000

The South Bayshore area has not been declared an Official Redevelopment Survey Area. The proposed area includes Hunters Point, and is roughly bounded by Islais Creek Channel, the Bayshore Freeway, the San Mateo County Line and the San Francisco Bay. During 1989-90, the Agency will be assisting in the development of an Economic Development Strategy for this area.

Central Relocation Services (CRS)

No Capital Proposed

Central Relocation Services provides technical rehousing assistance, administers benefits and provides counseling for households required to move by: (1) public supported actions such as the Rehabilitation Assistance Program (RAP); (2) emergencies such as fires; and (3) unsanitary and/or hazardous building conditions as cited by the Department of Public Works and the Department of Public Health. To assist in these efforts, CRS administers San Francisco's Special Temporary Rent Assistance Program (STRAP) which provides rental payments, loans, grants and finders fees to meet emergency needs. In 1989-90, CRS proposes to provide rehousing assistance to 550 displaced households and coordinate approximately 80 inspections of replacement housing by Bureau of Building Inspection.

City-wide Housing Program

\$10,000,000

The SFRA plans to undertake an expanded housing program, which will not be restricted to the redevelopment project areas. To achieve its goals, the SFRA is currently developing its proposed housing program by establishing criteria and priorities in selecting potential projects and these efforts are being coordinated with the City's Deputy Mayor for Housing.

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Economic Development Loan Fund

\$5,000,000

The SFRA proposes to create an economic development loan fund to foster minority and small business development and the participation in redevelopment project areas. The specific scope of the program and the criteria for use of the fund will be defined by the SFRA Commission in conjunction with the Mayor's Office of Economic Development. Funds are proposed to be used for working capital, inventory, equipment, furniture, fixtures, leasehold and facade improvements, bonds, insurance, franchise costs and job training.

Total Capital Project Costs

\$42,693,000

6. In order to fund the estimated additional \$33,309,741 needed to balance the 1989-90 SFRA budget of \$83,705,741, the SFRA proposes to issue tax revenue bonds. The proposed resolution (File 161-89-2) would approve and authorize the SFRA to execute an indebtedness limitation agreement and to issue up to \$39.2 million of tax revenue bonds. Issuance of the proposed \$39.2 million bonds is subject to approval by the Board of Supervisors. These bonds would be repaid from the tax increment revenues received by the SFRA.

7. The proposed indebtedness limitation agreement, which has recently been redrafted, would restrict the amount of tax increment revenues that are necessary to service the scheduled payments of principal and interest on the bonds to a maximum of \$3.4 million annually. This indebtedness limitation agreement of \$3.4 million annually would extend for the life of the 1989-90 bonds. The indebtedness limitation agreement thus restricts the SFRA's claim of tax increment revenues from the City to the \$3.4 million annual maximum. As proposed in the SFRA's 1989-90 budget, \$3,338,000 is projected to be needed each year to repay the projected 30-year bond.

8. However, because of restrictions placed on the SFRA's expenditures during the current year, the SFRA has approximately \$2.9 million of tax increment revenues available. According to the indebtedness limitation agreement, this \$2.9 million would be applied to the 1989-90 fiscal year limitation of \$3.4 million. Therefore, the maximum amount that could be claimed by the SFRA in 1989-90 would be reduced to approximately \$600,000 (\$3.4 million less \$2.9 million). Given that the SFRA is projecting that \$3,338,000 of tax increment funds are needed for the annual debt service and that the SFRA currently has \$2.9 million available, the proposed SFRA 1989-90 budget projects that \$438,000 of additional tax increment revenues would be required during the coming year.

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9. It should be noted that the proposed limitation is in addition to any other tax increment revenue claims already in place. For example, the SFRA Harbor Bonds require the SFRA to claim all tax increment revenues from the South Beach Harbor Project, located within the Rincon Point - South Beach Redevelopment Project Area. The estimated amount of the Harbor Bonds tax increment revenues available to be claimed by the SFRA on October 1, 1989 is approximately \$160,000. Therefore, the total tax increment revenues to be allocated to the SFRA in FY 1989-90 is projected to be \$598,000 (\$438,000 and \$160,000). The proposed indebtedness limitation agreement also does not prevent the SFRA from issuing bonds in the future that are secured by either tax increment revenues or other fund sources. However, any subsequent issuance of bonds by the SFRA is subject to approval by the Board of Supervisors.

10. The third proposed resolution (File 161-89-3) would approve the housing and economic policies of the SFRA. The proposed housing and economic development policies are included in the SFRA's Mission Statement, which was adopted by the SFRA on April 11, 1989. Administrative Guidelines were subsequently adopted by the SFRA on May 16, 1989 and concern the process by which the Housing Fund will be allocated. In general, the SFRA's Mission Statement addresses a new direction for the SFRA:

"The new period marks a break with the past role of the SFRA in which it engaged in redevelopment programs as a semi-independent agency, concerned mainly with the completion of plans it devised in only part of the City. The Agency's mission has evolved toward a comprehensive view of the City as a whole and cooperation with other City agencies and community and neighborhood groups aimed at solving citywide housing and development problems defined by elected officials and citizens of San Francisco."

The SFRA's Mission Statement and the accompanying proposed resolution (File 161-89-3) provide for the SFRA to complete existing Redevelopment Agency projects, including Rincon Point-South Beach for the amount approved as of November, 1988 plus no more than an additional \$88,871,000 and to complete Yerba Buena Gardens for a total cost of \$87,600,000.

12. The SFRA's housing policies specifically state that over the next 12 years, the SFRA will spend over 50 percent of the total tax increment funds allocated to the SFRA for low and moderate income housing and that in any given year, no less than 25 percent of tax increment funds will be used for affordable housing. The SFRA will target its housing assistance to low and moderate income families whose income averages 60 percent of the median income. In fiscal year 1989-90, the SFRA pledges to spend at least \$10 million for affordable housing. Language has been specifically added to the proposed indebtedness limitation agreement to insure that the SFRA uses the required amount for low and moderate income housing from the proceeds of the proposed bond funds and that all expenditures from the Housing Fund be consistent with the proposed Housing Policy and Administrative Guidelines (File 161-89-3).

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13. The SFRA's economic development policies specifically are intended to improve local small business participation in all redevelopment project areas, with particular emphasis in minority communities where the need is the greatest. The SFRA proposes to include a minimum of five percent of its annual tax increment revenues for local small business development. In fiscal 1989-90, the SFRA has included a total of \$5,380,000 for economic development activities, or approximately six percent of its budget.

14. The fourth proposed resolution (File 161-89-4) would authorize the formation of the City and County of San Francisco Redevelopment Financing Authority (Authority). The proposed Authority is a joint powers authority between the City and the SFRA, which would be used to issue tax increment bonds. This mechanism is being proposed because for FY 1989-90, there are four separate redevelopment project areas for which bond funds are required. If the SFRA were to issue the bonds, four separate bonds, one for each redevelopment project area, would be required. Under the proposed resolution, the Authority could issue and sell one bond and then use the proceeds from the bond sale to make separate loans to the SFRA. The interest that would be charged on these loans would be used to repay the debt service on the bonds. The proposed indebtedness limitation agreement (File 161-89-2) also limits the actions and powers of the proposed Authority to the 1989-90 bonds and the related 1989-90 budget. According to the debt limitation agreement, the Authority would not be permitted to take any other action or exercise any of its other powers without prior written approval of the Mayor or his designee.

Comments

1. Section 33606 of the State Community Redevelopment Law requires that the Board of Supervisors approve the annual budget of the SFRA. The annual budget is required to be all-encompassing and to comprise all anticipated revenues and expenses, including proposed bond proceeds and debt service payments. The SFRA's 1989-90 budget presents the budget for the entire SFRA for the twelve month period between July 1, 1989 and June 30, 1990.

2. In previous years, the SFRA received revenues from various other sources (e.g., Community Development Block Grants (CDBG) and other federal grants and entitlements). However, these other, primarily federal revenue sources, are no longer available due to the limited availability of federal monies. As a result, the SFRA has had to rely increasingly on local tax increment revenues to support an increasing amount of the SFRA activities. Tax increment financing reduces the amount of property tax revenues that are available to the City's General Fund. In previous years, the SFRA did not claim most of the tax increment funds that were generated by the redevelopment areas, because the SFRA was able to secure other outside funds, thus enabling these unclaimed tax increment monies to accrue to the City's General Fund.

3. The proposed indebtedness limitation agreement would protect the City's General Fund by limiting the amount of tax increment revenues that the SFRA can claim in any given year to a maximum of \$3.4 million. In 1988-89, the redevelopment areas are projected to generate approximately \$21.75 million in tax increment revenues. In 1988-89, the SFRA was limited to claiming and receiving approximately \$5.8 million, leaving the remaining balance of \$15.95 million in the General Fund (\$21.75 million generated less \$5.8 million allocated to the SFRA). Of the \$5.8 million allocated to the SFRA in 1988-89, the SFRA was only permitted to expend one-half of that amount, or \$2.9 million, leaving a remaining balance of \$2.9 million. As previously noted, the remaining \$2.9 million will be used to reduce the maximum annual amount of \$3.4 million tax increment revenues to approximately \$598,000 in 1989-90. An amount of \$438,000 is proposed to be needed in addition to the \$160,000 projected to be generated by the South Beach Harbor Project for a total of \$598,000 in fiscal year 1989-90. In 1989-90, the redevelopment areas are projected to generate approximately \$27.4 million of tax increment revenues. Assuming approximately \$600,000 is allocated to the SFRA, this leaves a remaining balance of approximately \$26.8 million that can be allocated to the General Fund (\$27.4 million generated less \$600,000 allocated to the SFRA).

4. During the first six months of 1989, the SFRA had budgeted a total of 121 full time equivalent (FTE) employees, as compared with the proposed 113.5 FTEs for 1989-90. This reflects an overall reduction of 7.5 full-time equivalent (FTE) employees. The SFRA reports that a total of 16 positions were eliminated and 8.5 new positions were created in order to respond to the changing orientation of the SFRA to focus on housing and economic development. The 8.5 new positions are as follows:

	<u>Annual Salary</u>
1 Deputy Executive Director, Development	\$88,055
1 Chief, Economic Development	74,218
1 Chief, Housing Production and Management	74,218
1 Community Liaison Officer	65,734
1 Coordinator, Special Projects	63,024
1 Economic Development Specialist	58,163
0.5 Finance Director	44,027
1 Clerk	23,972
1 Senior Clerk Typist	27,359

5. The salary computations for the proposed SFRA 1989-90 budget includes an increase of 9.5 percent, amounting to approximately \$600,000, for fiscal year 1989-90. This is in comparison with the projected 9.7 percent increase approved in the salary standardization ordinance for Civil Service miscellaneous employees of the City and County of San Francisco for fiscal year 1989-90. The SFRA reports that no salary increases were included in the SFRA's budget for fiscal year 1988-89 and that the last SFRA salary increase was 5.4 percent, including comparable worth, which was effective as of July 1, 1987.

6. The proposed budget does not include a provision for salary savings. A provision for salary savings of five percent would result in a budget reduction of \$360,600 for fiscal year 1989-90. This amount includes the proposed Harbor Enterprise Fund budget for salaries and fringe benefits. The proposed five percent salary savings should be reasonable given the number of new, particularly higher level employees to be hired during the coming fiscal year.

7. The proposed Contingent Liabilities in the SFRA budget of \$349,000 should be eliminated. According to Mr. Bob Gamble of the SFRA, this amount represents the SFRA's budgeted reserves for employee vested sick leave and vacation pay and is included in the SFRA's budget as a contingency against possible discontinuation of the SFRA's activities. If the SFRA's activities are discontinued, necessary provisions should be made at that time to fund any continuing liabilities of the SFRA and this amount should not be included in the 1989-90 budget.

8. If both the proposed Contingent Liabilities are eliminated (Comment 5) and the proposed salary savings are included (Comment 4) in the SFRA's 1989-90 budget, together, these actions would reduce the SFRA's budgeted expenditures by a total of \$709,600. This would result in a total SFRA expenditure budget of \$92,616,141 (\$93,325,741 less \$709,600). This would also translate into a total of approximately \$32,600,400 of funds required to balance the 1989-90 budget (as opposed to the currently proposed \$33,309,741) and a projected bond issuance of \$34,314,000 (as opposed to the currently proposed bond issuance of \$35,063,000). Instead of the currently proposed \$3,338,000 tax increment revenues required for 30 years to repay the bond, \$3,274,000 of tax increment revenues would be required each year for the next 30 years, a difference of \$1,920,000 over the 30 year period, or \$64,000 per year. In 1989-90, given the \$2,900,000 of tax increment funds available, an additional amount of \$374,000 would be needed to balance the SFRA's budget. This is in comparison with the presently proposed \$438,000, again a difference of \$64,000. Including the projected Harbor Enterprise tax increment revenues of \$160,000 would result in a total tax increment revenue allocation to the SFRA of \$534,000 (\$374,000 + \$160,000) for fiscal year 1989-90. The recommended \$534,000 is \$64,000 less than the originally proposed \$598,000 of tax increment revenues. If the proposed recommendations are approved, this would therefore result in an additional \$64,000 that could be allocated to the City's General Fund.

9. It should be noted that Bernal Heights is currently designated as a Redevelopment Survey Area and a Survey Area study of Bernal Heights is projected to be completed in August, 1989. The SFRA reports that although their initial proposed budget included approximately \$440,000 for preliminary plans for infrastructure improvements in Bernal Heights, the Mayor's Office eliminated this amount in their budget. The Mayor's Office also eliminated funding for architectural and engineering design work at Fisherman's Wharf. The Mayor's Office reports that these projects need to be reevaluated given the new direction of the SFRA to focus on creating low and moderate income housing and economic development and that there may be more appropriate and cost effective methods of redeveloping Bernal Heights and Fisherman's Wharf.

10. The Mayor's Office and the Redevelopment Agency report that the proposed indebtedness limitation agreement responds to the State Controller's concerns regarding the City's use of tax increment funds by specifically limiting the amount that the SFRA can claim from the City for the proposed bonds to \$3.4 million annually. The Mayor's Office will also have additional oversight and review responsibilities, as the SFRA will be required to provide an accurate list of all existing consultant contracts, land disposition agreements for which a certificate of completion has not been issued, pending litigation and any agreements that pledge tax increment funds for repayment. In addition, the SFRA is required to give written notice to the Mayor's Office at least ten working days prior to each future SFRA contract that is greater than \$250,000. In this way, the Mayor's Office would be informed of all liabilities of the SFRA. The City Attorney's Office, the Mayor's Office and the Redevelopment Agency report that the proposed agreement has been revised to provide additional protection to the City and the City's General Fund.

Recommendations

1. In accordance with Comments 6,7 and 8, amend the proposed resolution (File 161-89-1) to reduce the proposed expenditure budget by \$709,600 (\$360,600 plus \$349,000), from \$93,325,741 to \$92,616,141. This action will reduce the proposed tax increment financing by \$64,000 per year for each of the next 30 years and would therefore reduce the 1989-90 tax increment revenue allocation to the SFRA from a total of \$598,000 to \$534,000.

2. Approval of the proposed resolution (File 161-89-1) to adopt the SFRA's 1989-90 budget and find that the SFRA's use of tax increment funds for low and moderate income housing will be beneficial is a policy matter for the Board of Supervisors. While normally the Budget Analyst would make a recommendation on the SFRA's budget, because the proposed FY 1989-90 budget is premised on the fact that bonds be issued, the indebtedness limitation agreement be approved, the new housing and economic development policies be adopted and the San Francisco Redevelopment Financing Authority be formed, the Budget Analyst believes this is a policy decision for the Board of Supervisors.

3. Approval of the proposed resolutions to:

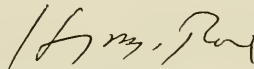
- (1) approve and authorize the execution of an indebtedness limitation agreement and approve the issuance of SFRA bonds up to \$39.2 million to finance SFRA activities in fiscal year 1989-90 (File 161-89-2);
- (2) approve the housing and economic development policies of the SFRA (File 161-89-3); and

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June 16, 1989

- (3) authorize the formation of the San Francisco Redevelopment Financing Authority between the City and the SFRA (File 161-89-4)

are policy matters for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
President Britt
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

Action Taken

CALENDAR

DEPARTMENTAL BUDGET REVIEW HEARINGS

FINANCE COMMITTEE

Board of Supervisors
City and County of San Francisco

TUESDAY, JUNE 20, 1989 - 1:30 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

ABSENT: SUPERVISOR WARD, CIVIL SERVICE

CLERK: GREG HOBSON

1. Hearing to consider the Annual Budget of the City and County of San Francisco for Fiscal Year 1989-90. (Mayor)

GENERAL ADMINISTRATION & FINANCE

70 Chief Administrative Officer
93 Convention Facilities Management
25 Mayor
01 Board of Supervisors
03 City Attorney
08 Treasurer - Tax Collector
09 Controller
91 Purchaser
02 Assessor
78 Recorder
82 Records Center
80 Registrar
29 City Planning
37 Permit Appeals
65 Rent Arbitration Board
71 Real Estate
30 Civil Service
33 Health Service System
44 Retirement System

DOCUMENTS DEPT.

JUN 22 1989

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CULTURE AND RECREATION

07 County Education Office
60 Academy of Sciences
28 Art Commission
46 War Memorial
61 Fine Arts Museums
62 Asian Art Museum
41 Public Library
42 Recreation and Park Commission

ACTION: DEPARTMENTAL BUDGET REVIEW HELD. AMENDMENTS WERE MADE TO BUDGETS OF THE ABOVE DEPARTMENTS AS STATED IN BUDGET ANALYST'S RECOMMENDATIONS DATED JUNE 20, 1989, AND AMENDED BY COMMITTEE. MAYOR'S OFFICE CLERICAL ERRORS AS SUBMITTED ADOPTED. CONTROLLER SUBMITTED REVISED ESTIMATED REVENUES OF THE GENERAL FUND FOR FISCAL YEAR 1989-90 OF \$3,400,000; ADOPTED. RENT ARBITRATION BOARD CONTINUED TO JUNE 21, 1989. MAYOR'S OFFICE, CIVIL SERVICE COMMISSION, CITY PLANNING AND REGISTRAR CONTINUED TO FRIDAY, JUNE 23RD "CLEAN UP SESSION".

SF
S90.25
2
6/21/89
Special

Active
Taker

CALENDAR
SPECIAL MEETING OF
FINANCE COMMITTEE

DOCUMENTS DEPT.

JUN 21 1989

Board of Supervisors
City and County of San Francisco

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WEDNESDAY, JUNE 21, 1989 - 1:30 P.M. ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

ABSENT: SUPERVISOR WARD

CLERK: GREG HOBSON

1. File 127-89-3. [Board of Permit Appeals Fees] Ordinance amending Part III of the San Francisco Municipal Code by amending Section 8 thereof to increase specified Board of Permit Appeals filing fees. (Mayor)

ACTION: AMENDED. RECOMMENDED AS AMENDED. On Page 2, line 3 replace "\$110" with "\$100".

2. File 97-89-25. [Residential Rent Stabilization and Arbitration Fee] Ordinance amending the San Francisco Administrative Code by adding Chapter 37A thereto creating a Residential Rent Stabilization and Arbitration Fee, by amending Chapter 10 to establish a Residential Rent Stabilization and Arbitration Fund, by amending Sections 37.7 and 37.8 to eliminate certain filing fees, and by amending Chapter 49 to permit recovery of the fee from interest of tenant security deposits under certain circumstances. (Mayor)

ACTION: AMENDMENT OF THE WHOLE PRESENTED IN COMMITTEE BY CITY ATTORNEY. ADOPTED. AMENDED. On Page 5, line 30 replace "annually" with "monthly"; on Page 6, line 28 before "tax" insert "property". NEW TITLE: "Amending the San Francisco Administrative Code by adding Chapter 37A thereto creating a Residential Rent Stabilization and Arbitration Fee, by amending Chapter 10 by adding Section 10.117-88 thereto establishing a Residential Rent Stabilization and Arbitration Fund, by amending Sections 37.7 and 37.8 to eliminate certain filing fees, and by amending Section 49.2 to permit recovery of the fee from interest on tenant security deposits under certain circumstances." CONTINUED TO RECESSED MEETING, FRIDAY, JUNE 23, 1989, 10:00 A.M.

3. File 125-89-1. [Apartment House and Hotel License Fees] Ordinance amending Part II, Chapter XII of the San Francisco Municipal Code (Housing Code) by amending Sections 307.A and 307.B thereof to extend liability for payment of Apartment House and Hotel License Fees to owners of the underlying real property and by adding Section 307.C thereto establishing a lien procedure for delinquent fees. (Mayor)

ACTION: AMENDED. On page 3, line 7 replace "annually" with "monthly". CONTINUED TO RECESSED MEETING, FRIDAY, JUNE 23, 1989, 10:00 A.M.

4. File 121-89-6. [Filing & License Fees for Police Permits] Ordinance amending Part II, Chapter VIII of the San Francisco Municipal Code (Police Code) by amending Sections 2.26 and 2.27 relating to filing fees and deleting filing and license fees for Motor Vehicles for Hire. (Mayor)

ACTION: RECOMMENDED.

5. File 124-89-8. [Parking Fines] Ordinance amending Part II, Chapter XI, San Francisco Municipal Code (Traffic Code) by amending Section 210 to increase the penalties for parking meter violations. (Mayor)

ACTION: RECOMMENDED.

6. File 124-89-9. [Parking Fines] Ordinance amending Part II, Chapter XI, San Francisco Municipal Code (Traffic Code) by amending Section 32 to increase the minimum penalties for violations of posted time restrictions. (Mayor)

ACTION: RECOMMENDED.

7. File 124-89-10. [Parking Fines] Ordinance amending Part II, Chapter XI, San Francisco Municipal Code (Traffic Code) by amending Section 32.17 to increase the minimum penalties for parking violations in municipal off-street lots. (Mayor)

ACTION: RECOMMENDED.

8. File 124-89-11. [Parking Fines] Ordinance amending Part II, Chapter XI, San Francisco Municipal Code (Traffic Code) by amending Section 315 to increase the minimum penalties for violations of parking time limitations. (Mayor)

ACTION: RECOMMENDED.

9. File 124-89-12. [Parking Fines] Ordinance amending Part II, Chapter XI, San Francisco Municipal Code (Traffic Code) by amending Section 37(c) to increase the penalty for street cleaning parking violations. (Mayor)

ACTION: RECOMMENDED.

10. File 124-89-13. [Parking Revenue] Ordinance amending Section 213 of Article 12 of the San Francisco Traffic Code to extend for one year the period during which net revenues from Sutter-Stockton Garage are to be deposited in the Off-Street Parking Fund; to allow the use of parking revenues for expenses of the Department of Parking and Traffic and the Parking and Traffic Commission; and to authorize the Parking and Traffic Commission to recommend the purposes for which monies in the Off-Street Parking Fund shall be set aside. (Mayor)

ACTION: CONTINUED TO RECESSED MEETING, FRIDAY, JUNE 23, 1989, 10:00 A.M.

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CITY AND COUNTY



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BUDGET ANALYST *Rec.*

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June 21, 1989

TO: Finance Committee

FROM: Budget Analyst

SUBJECT: June 21, 1989 Special Finance Committee Meeting

Item 1 - File 127-89-3

1. The proposed ordinance would amend Part III, Article I of the San Francisco Municipal Code, by amending Section 8(b)(2) to increase specified Board of Permit Appeals filing fees.

2. The proposed filing fee increases recommended by the Mayor would increase the fees for submitting an appeal from the granting or denial of a building, demolition, or other permit (other than residential hotel conversion) from \$70 to \$110, or 57 percent. The proposed fee increase is intended to recover a larger portion of the costs of the operation of the Board of Permit Appeals. The proceeds of the proposed fee increases would accrue to the City's General Fund.

3. The following are FY 1989-90 proposed fee increase revenue projections for existing and proposed new fees, as provided by Mr. Robert Feldman, Executive Director of the Board of Permit Appeals. The projections are based on the latest Departmental data regarding the number of appeals made during 1989 (270) and are based on an effective date of July 1, 1989.

Projected Revenue from Existing Fees	\$18,900
Projected Revenue from Fee Increase	<u>10,800</u>
Total Projected Revenue	\$29,700

BOARD OF SUPERVISORS
BUDGET ANALYST

Comments

1. The Board of Permit Appeals filing fees were last increased in May of 1986 (File 127-86-2).

2. The earliest date that the proposed fee increases could be in effect is approximately mid-July, 1989. Therefore, the projected revenues from the proposed fee increases would generate an estimated \$10,350 for the remaining eleven and a half months of fiscal year 1989-90.

3. The proposed budget for the Board of Permit Appeals for fiscal year 1989-90 is \$244,040. Thus, the current projected 1989-90 revenue of \$40,000 from all existing fees plus the estimated \$10,350 of additional revenues from the proposed fee increase or a total of \$50,350, would still be \$193,690 less than the Department's 1989-90 budgeted expenses. However, the Mayor's 1989-90 budget includes different revenue figures than those given above. The Mayor's estimated revenues generated by the proposed fee increase is \$15,000 or \$4,650 higher than the Department's estimate of \$10,350.

4. On May 31, 1989, the Mayor transmitted this and other fee revision ordinances to the Board of Supervisors in compliance with a commitment made during last year's budget review that all legislation pertaining to proposed fee increases required to balance the budget should be presented to the Board of Supervisors in advance of, or in conjunction with, consideration of the Mayor's proposed budget. In this way, the Board of Supervisors is provided with needed details so that all revenue increases (requiring legislative action) and expenditures that are contained in the City's annual budget can be considered together as one package.

5. The Finance Committee has expressed its wish to either minimize or eliminate the time period for which the Interim Appropriation Ordinance applies, beginning in the next fiscal year. This may necessitate an earlier submittal of the Mayor's proposed budget and accompanying fee legislation, such as this ordinance, to the Board of Supervisors for public hearings, review and legislative approval.

Recommendation

Approval of an increase in the Board of Permit Appeals filing fees is a policy decision of the Board of Supervisors.

Item 2 - File 97-89-25

1. The proposed Ordinance would amend the San Francisco Administrative Code to create a Residential Rent Stabilization and Arbitration Fee, establish a Residential Rent Stabilization and Arbitration Fund, eliminate certain filing fees and permit recovery of the fee from interest on tenant security deposits, under certain circumstances.

2. The Board of Supervisors passed the Residential Rent Stabilization and Arbitration Ordinance in June, 1979 (Ordinance No. 276-79) which created a Residential Rent Stabilization and Arbitration Board (Rent Board) to regulate residential rents in San Francisco.

3. The proposed Ordinance would amend the Administrative Code by adding Chapter 37 A, which would create a Residential Rent Stabilization and Arbitration Fee. The proposed fee would be based on the projected annual cost of funding the Rent Board plus related administrative costs, pursuant to Section 10.194 of the Administrative Code, which would include but not be limited to the City's Tax Collector and Assessor costs for related activities. The total projected annual cost would then be divided by the total number of residential units estimated to pay the fee. The number of residential units estimated to pay the fee would be based on the definition of residential units, as defined in Sections 203.4 and 203.7 of the San Francisco Housing Code. In general, residential units would not include the following: owner occupied units, owner occupied buildings containing four units or less, guest rooms, dwelling units in non-profit cooperatives, hospital, convent and extended care facilities, non-profit homes for the aged, or educational institutions.

4. The proposed Ordinance would assign the Assessor the responsibility for providing the Controller's Office with the total number of residential units by July 1 of each year. The Controller would then be responsible for calculating the fee for each residential unit by July 31. The Tax Collector would be responsible for billing the fee to the owner of each residential unit each year. The fee would be due from the owner by October 1 of each year.

5. The proposed fee would be recalculated on July 31 of each subsequent year based on changes to the total projected costs of the Rent Board and any changes to the number of residential units in the City. If the owner of a residential unit failed to pay the City the proposed fee within 90 days of the date of the bill, a second request for payment would be sent. After another 30 days of the mailing of the second payment request, the Board of Supervisors, after public hearing, could add a 25 percent penalty, an interest charge of 1.5 percent annually, an additional Tax Collector charge of \$49 and a lien would be recorded against the owner's property for the entire unpaid balance. The \$49 Tax Collector charge includes \$40 for processing a delinquent fee and \$9 for releasing the tax lien.

BOARD OF SUPERVISORS
BUDGET ANALYST

6. The owner of each residential unit would be able to recover the proposed fee from the tenant who occupies each residential unit as of November 1 of each year. In order to recover the fee, the owner would be required to submit a copy of the Tax Collector's bill to the tenant with a written request for payment within 60 days. If the tenant did not pay the owner within the 60 days, the owner could deduct the fee from the next interest payment owed on the tenant's security deposit. Chapter 49 of the Administrative Code specifies that a landlord must pay at least five percent simple interest per year on all security deposits held for at least one year for tenants.

7. The proposed Ordinance would also amend Chapter 10 of the Administrative Code by establishing a Residential Rent Stabilization and Arbitration Fund. The proposed Special Fund would be the despository of the proposed residential unit fees and would be used to fund the costs incurred by the Rent Board and related administrative costs. Any surplus funds, or balance that remains in this Fund at the close of any fiscal year would be carried forward into the next fiscal year.

8. The proposed Ordinance would also amend Section 37.7 of the Administrative Code to deposit filing fees for certification of rental increases for capital improvements, rehabilitation, or energy conservation measures that were undertaken, in the proposed Special Fund to be created.

9. The proposed Ordinance would also amend the following sections to eliminate specific filing fees:

Section 37.8(c)(1):

To eliminate the landlord's filing fees for request for arbitration of \$20 per rental unit and not to exceed \$400 in any single consolidated case.

Section 37.8(d)(1):

To eliminate the tenant's filing fees for request for arbitration of \$15.

Section 37.8(f)(1)

To eliminate the tenant's appeal fee of \$15 and the landlord's appeal fee of \$15 per unit.

Comments

1. The proposed fee is not intended to generate additional revenues for the City. Instead, the fee is only proposed to cover the actual costs of providing the services to those who use the Rent Board.

2. According to Ms. Barbara O'Hearn, Acting Director of the Rent Board, the annual fee is estimated to be \$6 to \$10 per residential unit for FY 1989-90. This is based on a preliminary estimate of 200,000 residential units in the City and the Rent Board's projected fiscal year 1989-90 budget of \$1,351,849 and additional related administrative costs of the Controller, Tax Collector and Assessor.

3. Ms. O'Hearn reports that the Assessor's Office would have to do a study to determine which and how many residential units are subject to the annual fees every year. The cost of the study would be also paid for by this annual per-unit fee.

4. The fee would be due from the property owner by October 1 of each year. Therefore, the Rent Board may need an advance from the General Fund each year to fund its expenditures for the period of July 1 through October, depending upon whether there is carryforward revenue available to fund the expenditure at the beginning of the fiscal year.

5. If the proposed fee is not approved, the existing landlord and tenant arbitration and appeal fees would continue to exist and the Rent Board would continue to receive General Fund support. For FY 1988-89, a total of approximately \$90,000 in existing fee revenue is estimated to be generated. The Rent Board's total FY 1988-89 expenditures are projected to be \$898,570, thus requiring General Fund support of \$808,570 during the current fiscal year. Under the proposed Ordinance, the Rent Board would be self-supporting and no General Fund support would be required.

6. As of the writing of this report, the Budget Analyst believes but has been unable to confirm that the intended interest charge for delinquent payments is 1.5% monthly and not 1.5% annually as stated in the present draft of the proposed ordinance.

Recommendation

1. The proposed ordinance to create a Residential Rent Stabilization and Arbitration Fee and Special Fund, and to eliminate certain filing fees and permit recovery of the proposed fees from tenants, is a policy matter for the Board of Supervisors. However, it should be noted that the Mayor's recommended 1989-90 budget assumes the adoption of the proposed Residential Rent Stabilization and Arbitration fees.

2. If approved by the Board of Supervisors, the ordinance should be amended to provide for an interest charge for delinquent payments of 1.5% monthly and not 1.5% annually.

Item 3 - File 125-89-1

1. The proposed ordinance would amend the Municipal Code (Housing Code) to extend the liability for payment of apartment house and hotel license fees to the owners of the underlying real property and would establish a lien procedure for delinquent fees.

2. According to Section 307 A of Part II, Chapter XII of the San Francisco Housing Code, every individual or business that operates an apartment house in San Francisco is required to pay an annual license fee. Apartment house license fees are due and payable on the first day of October of each year. Section 307 B of Part II, Chapter XII of the Housing Code similarly requires that every individual or business that operates a hotel in San Francisco is required to pay an annual license fee. Hotel license fees are due and payable on the first day of January of each year.

3. The proposed ordinance would amend Section 307 A and 307 B respectively, to state that the annual license fees are required of every individual or business that operates an apartment house or hotel or owns the real property upon which the apartment house or hotel is situated. The proposed amendments would also specifically state that the license fees are due and payable to the City's Tax Collector.

4. The proposed ordinance would also add Section 307 C which details the proceedings for nonpayment of these license fees, including additional requests, lien proceedings, notices and the manner for giving notices. The specific amendments would require that if the payment is not received within 90 days of the bill, another request for payment would be sent. If payment is not received within another 30 days, the Board of Supervisors, after a public hearing, would add a 25 percent penalty to the fee, an interest charge of 1.5 percent annually after the account has been delinquent for 60 days, a Tax Collector charge of \$49 and a lien for the entire unpaid amount would be recorded against the owner's real property. The Tax Collector's charge of \$49 includes \$40 for processing each delinquent fee and \$9 for releasing the tax lien. All charges against the delinquent accounts would be required to be reported to the Board of Supervisors at least once a year.

5. The Board of Supervisors recently adopted new apartment and hotel license fees, which are scheduled to become effective as of July 1, 1989. These fee schedules are as follows:

<u>Number of Rooms</u>	<u>Annual Apartment License Fee</u>	<u>Annual Hotel License Fee</u>
Less than 20 Rooms	\$88	\$135
20 to 29 Rooms	112	159
30 to 39 Rooms	148	196
40 to 49 Rooms	196	242
50 to 59 Rooms	272	317
60 to 99 Rooms	319	366
100 to 149 Rooms	319	395
More than 150 Rooms	319	444

According to Mr. Larry Litchfield, Superintendent, Bureau of Building Inspection, Department of Public Works, for fiscal year 1988-89, apartment and hotel license fees are projected to generate approximately \$2.2 million. Mr. Litchfield reports that the new fee schedule represents an increase of approximately 7.5 percent. The apartment and hotel license fees are projected to generate a corresponding increase of approximately 7.5 percent, or \$165,000, amounting to total fees of approximately \$2,365,000 annually.

6. At present, there are no procedures for collecting nonpayment of apartment and hotel license fees. However, the Bureau of Building Inspection has similar lien proceedings, to the type that are being proposed, for other type of fee requirements. Mr. Litchfield reports that these lien proceedings are an effective deterrent for nonpayment of the Department's fees.

Recommendation

Approve the proposed ordinance.

Item 4 - File 121-89-6

1. The proposed ordinance would amend Sections 2.26 and 2.27 of the Police Code, increasing certain filing fees and deleting filing and license fees for motor vehicles for hire. However, fees for Motor Vehicles for Hire shall not be finally deleted from the fee schedules included in these sections of the Police Code until a separate ordinance adopting new fee schedules for permit fees for Motor Vehicles for Hire is approved by the Board of Supervisors and signed by the Mayor. Such fees will remain at present levels until the new, separate ordinance is approved. All other fee increases contained in this ordinance, which range from less than a 1% increase to a 696% increase, are shown in the attachment to this report. The fee increases will go into effect immediately should this ordinance be approved.

2. The fees for these permits are set to recover all costs incurred by the Police Department and Tax Collector for the issuance of permits and collection of fees for regulated activities defined under Police Code Section 2.26 and 2.27. Since costs have increases for inspections and adjudicating disputes, the proposed amendment would allow for increased fees based on increased costs incurred by the Police Department and Tax Collector. Officer Barbara Campagnoli of the Permit Division of the Police Department reports the proposed increased fees more accurately reflect the expenses incurred by the San Francisco Police Department and other City departments in issuing, regulating and inspecting Police Permits for compliance with code regulations.

Comments

1. The Police Department reports that, for fiscal year 1988-89, the total fee revenue from these permits and licenses is estimated to be approximately \$304,000*. For FY 1989-90, a revenue increase of approximately \$60,000 is estimated as a result of these fee increases. This estimate is based on the proposed rates in effect for the full fiscal year 1989-90. The revenue amount varies according to the number and types of permits issued each year, and according to the Department, it would be difficult to give a more precise estimate of the total increased fee revenue for 1989-90. The Mayor's proposed 1989-90 budget does not reflect the increase in permit fees.

2. In transmitting the departmental report of fees for 1989-90, the Controller's Office reported that they concurred with the recommended fee increases, based on the unit cost information prepared by the Police Department. Based on our review, we concur with this analysis.

* Includes motor vehicles for hire (\$71,000).

Memo to Finance Committee
June 21, 1989

3. As mentioned above, existing filing fees and the license fee for Motor Vehicles for Hire have been deleted under this proposed ordinance effective on the date of approval of a separate ordinance adopting new fee schedules for Motor Vehicles . An ordinance proposing revisions to such fees has not yet been submitted to the Board of Supervisors.

Recommendation

Based on the Department's policy to recover increased costs, approve the proposed ordinance.

BOARD OF SUPERVISORS
BUDGET ANALYST

SCHEDULE OF PERMITS AND FEES

<u>Type of Permit</u>	<u>Filing Fee</u>		<u>Increase</u>	<u>Percent Increase</u>
	<u>Current</u>	<u>Proposed</u>		
Permit Amendment/Additional Partner	\$ 48	\$104	\$ 56	117 %
Advertising Vehicle	157	335	178	113
Amusement Park	292	521	229	78
Antique Shop	261	523	262	100
Auto Wrecker	171	422	251	147
Ball or Ring Throwing Games	226	413	187	83
Balloon and Kite Advertising	191	218	27	14
Billiard Parlor	211	395	184	87
Bingo games	50	50	0	0
Amendment to permit	13	50	37	285
Cabaret	503	832	329	65
Circus	274	344	70	26
Closing-Out Sale	137	262	125	91
Dance Hall Keeper	522	832	310	59
One night dance	18	39	21	117
Dealer in Fire Arms and/or Ammunition	310	657	347	120
Renewal	-	228	228	N/A
Discharge of Cannon	100	279	179	179
Distributor of Advertising				
Class A	198	331	133	67
Class B	137	291	154	112
Driverless Auto Rental	216	443	227	105
Encounter Studio				
Owner	285	1,024	739	259
Employee	70	198	128	183
Escort service				
Owner	174	768	594	341
Employee	74	198	124	168
Funeral Procession Escort	112	274	162	145
Insignia and uniform	18	18	0	0
General Soliciting Agent	108	201	93	86
Itinerant Show	278	472	194	70

BOARD OF SUPERVISORS
BUDGET ANALYST

<u>Type of Permit</u>	<u>Filing Fee</u>		<u>Increase</u>	<u>Percent Increase</u>
	<u>Current</u>	<u>Proposed</u>		
Junk Dealer	\$378	\$517	\$139	37 %
Junk Gatherer				
Resident	350	582	232	66
Non-resident	154	292	138	90
Licensed Tour Guide	157	193	36	23
Loudspeaker				
Commercial	285	331	46	16
Non-commercial	19	42	23	121
Vehicle	102	340	238	233
Masquerade Ball	391	569	178	46
Massage Establishment	467	1,024	557	119
Masseur/Masseuse	70	198	128	183
Trainee	70	198	128	183
Mechanical Amusement Devices	356	368	12	3
Mechanical Contrivance	228	381	153	67
Miniature Golf Course	316	381	65	21
Mobile Caterer	403	786	383	95
Additional stop	46	99	53	115
Assistant	23	102	79	343
Transfer of stop	23	78	55	239
Museum	353	470	117	33
Nude Models in Public Photographic Studio				
Owner	277	768	491	177
Employee	79	198	119	151
Off-Heliport Landing Site	322	406	84	26
Outcall Massage	196	615	419	214

<u>Type of Permit</u>	<u>Filing Fee</u>		<u>Increase</u>	<u>Percent Increase</u>
	<u>Current</u>	<u>Proposed</u>		
Pawnbroker	\$383	\$614	\$231	60 %
Peddler				
Fish, vegetables, fruit	291	638	347	119
Food for human consumption	291	638	347	119
Non food	158	323	165	104
Employee	36	123	87	242
Pedicab Driver	24	81	57	238
Pedicab Owner				
First pedicab	104	324	220	212
Each additional pedicab	26	207	181	696
Photographer, Public Place				
Owner	220	290	70	32
Solicitor	79	123	44	56
Photographic Solicitor				
Owner	180	290	110	61
Employee	95	123	28	29
Place of Entertainment	451	832	381	84
Poker	486	842	356	73
Amendment to permit	50	134	84	168
Public Bathhouse	491	799	308	63
Public Outcry Sales	346	471	125	36
Pushcart Peddler	283	661	378	134
Recreational Equipment Vendor	158	349	191	121
Rodeo Exhibition/Wild West Show	383	385	2	0.5
Second Hand Dealer Auto Accessories	261	523	262	100
Shooting Galley	251	523	272	108
Skating Rink	382	406	24	6
Street Photographer				
Owner	180	250	70	39
Solicitor	95	187	92	97
Tow Car Driver	70	125	55	79
Trade-In Dealer	261	523	262	100
Valet Parking				
Fixed location	105	355	250	238
Annual special event	42	355	313	745
Vehicle for Hire, Non-motorized	96	324	228	238

BOARD OF SUPERVISORS
BUDGET ANALYST

<u>Type of Permit</u>	<u>License Fee*</u>
Advertising Vehicle	\$115
Amusement Park	167
Antique Shop	28
Auto Wrecker	219
Ball or Rink Throwing Games	73
Balloon and Kite Advertising	39
	per quarter
Billiard Parlor	67
1st table	6
Each additional table	50
Bingo Game	180
Cabaret	148
Circus	per day
Dance Hall Keeper	188
Dealer in Firearms and/or Ammunition	259
Discharge of Cannon	22
	per day
Distributor of Advertising	
Class A	60
Class B	16
Driverless Auto Rental	145
Encounter Studio	
Owner	229
Employee	25
Escort Service	
Owner	232
Employee	40
Funeral Procession Escort	52
General Soliciting Agent	39
Itinerant Show, each concession	20
	per day

* Annual rate unless otherwise indicated.

<u>Type of Permit</u>	<u>License Fee*</u>
Junk Dealer	\$244
Junk Gatherer	
Resident	75
Non-resident	46
Licensed Tour Guide	69
Loudspeaker, Commercial	72
Masked Ball	105
	per day
Message Establishment	249
Masseur/Masseuse	40
Trainee	10
	per 90-day permit
Mechanical Amusement Devices	
1st Machine	111
Each additional machine	17
Mechanical Contrivance	
1st machine	102
Each additional machine	16
Miniature Golf Course	74
Mobile Caterer	389
Assistant	22
Museum	92
Nude Models in Public Photography Studio	
Owner	219
Employee	39
Off-Heliport Landing Site	17
	per day
Outcall Massage	211
Pawnbroker	241
Peddler	
Fish, Vegetables, Fruit	385
Food for Human Consumption	385
Non Food	89
Employee	36

<u>Type of Permit</u>	<u>License Fee*</u>
Pedicab Driver	\$ 12
Pedicab Owner	
First pedicab	174
Each additional pedicab	98
Photographer, Public Place	
Owner	92
Solicitor	35
Photographic Solicitor	
Owner	75
Employee	36
Place of Entertainment	196
Poker	141
Public Bathhouse	196
Public Outcry Sales	132
Pushcart Peddler	387
Recreational Equipment Vendor	141
Rodeo Exhibition/Wild West Show	67
	per day
Second Hand Dealer	28
Second Hand Dealer, Auto Accessories	28
Shooting Gallery	73
Skating Rink	161
Street Photographer	
Owner	75
Solicitor	36
Tow Car Driver	15
Trade-In Dealer	276
Valet Parking	
Fixed Location	149
Annual Special Event	78
Vehicle for Hire, Non-motorized	74

Item 5 - File 124-89-8

1. The proposed ordinance would amend the San Francisco Municipal Code (Traffic Code) to increase the penalties for parking meter violations.

2. Section 210, Subsection (a) of Part II, Chapter XI of the City's Traffic Code currently imposes a fine of not less than \$10 nor more than \$30 for each overtime parking meter offense in all neighborhoods of the City, excluding downtown. The proposed ordinance would increase these fees from a minimum of \$10 to \$12, a 20 percent increase, and from a maximum of \$30 to \$40, a 33 percent increase.

3. Section 210, Subsection (b) of Part II, Chapter XI of the City's Traffic Code currently imposes a fine of not less than \$15 nor more than \$40 for each overtime parking meter offense in downtown San Francisco. The proposed ordinance would increase these fees from a minimum of \$15 to \$20, a 33 percent increase, and from a maximum of \$40 to \$50, a 25 percent increase.

4. In terms of these provisions of the Traffic Code, the boundaries of the downtown area include the Embarcadero on the east to Howard Street on the south, 3rd and Kearny to the west and Washington Street to the north. The boundaries of the neighborhood area includes all other parts of the City not identified within the downtown area. In general, the proposed minimum fine of \$12 for neighborhood violations and \$20 for downtown violations would be the amount that a person violating the provision of the Traffic Code would be responsible to pay and would be identified on each parking citation. However, the bail schedule for individual fines would be set by the Municipal Court.

5. Approximately 110,000 parking meter citations are issued in the downtown area annually. At the proposed rate of \$20 per citation, a total of approximately \$2,200,000 of gross revenues could be generated per year. The proposed downtown meter citation fine represents an increase of \$5 per citation, or an increase of an additional annual \$550,000 of gross revenue. The Mayor's Office assumed that 65 percent of all citations issued would be paid, resulting in net additional annual revenues to the City of approximately \$357,500 (\$550,000 x .65).

6. Approximately 670,000 parking meter citations are issued annually in all other neighborhoods of the City, excluding downtown. At the proposed rate of \$12 per citation, a total of approximately \$8,040,000 of gross revenues could be generated per year. The proposed neighborhood meter citation fine represents an increase of \$2 per citation, or an increase of an additional annual \$1,340,000 of gross revenue. The Mayor's Office assumed that 65 percent of all citations issued would be paid, resulting in net additional annual revenues to the City of approximately \$871,000 (\$1,340,000 x .65).

BOARD OF SUPERVISORS
BUDGET ANALYST

Comments

1. The Controller's Office reports that based on the Internal Audit Division's review of the Municipal Court Traffic Citation System, the actual collection rate for the City for parking citations is approximately 70 percent. If this rate of collection continues, with the proposed increase in fines, the total net revenue generated by the City would increase. Based on the above calculation, if 70 percent of the gross revenues are collected, rather than 65 percent of the gross revenues, the City would receive approximately \$385,000 of additional revenues from the downtown meter citation fine increase and approximately \$938,000 of additional revenues from the neighborhood meter citation fine increase, for a total of \$1,323,000 per year. The Mayor's Office conservatively estimated that a total of \$1,228,500 would be generated by the proposed two meter citation increases. At the 70 percent collection rate, the City would receive a total of approximately \$94,500 more than at the 65 percent rate.

2. The Mayor's recommended budget for fiscal year 1989-90 assumes approval of the proposed citation fine increases and that the proposed rates would become effective as of July 1, 1989. However, given the current schedule, it does not appear likely that these rates could actually become effective until mid-August or possibly the first of September, 1989. Assuming a September 1, 1989 effective date and a 70 percent collection rate, the Budget Analyst projects that the City would receive approximately \$320,833 of additional revenue from the downtown meter citation fine increase and approximately \$781,667 of additional revenues from the neighborhood meter citation fine increase, for a total of \$1,102,500 additional revenues during FY 1989-90. This is approximately \$126,000 less than the Mayor's recommended budget contains. However, it should also be noted that none of these calculations assume a growth factor, when in fact, the number of parking citations issued per year have generally been increasing. This growth factor may offset the projected shortfall in revenues.

3. Based on discussions with the Police Department, there may also be some further delays because of the need to reprint existing tickets to reflect the new rates. In general, the Police Department reprints parking tickets every three months. At the time the Budget Analyst was preparing this report, the Police Department could not provide a definitive response regarding the amount of time that would be required to reprint new parking tickets to reflect any increases in fines.

4. If the proposed ordinance is adopted, the additional revenues would accrue to the City's Traffic Fine Fund. Although Traffic Fine Fund revenues are allocated as part of the City's budgetary process, Traffic Fine Funds can only be used to support traffic regulation and control in the City. Most of these funds are used to support Police Department activities with some monies also going to support activities in the Municipal Court, Department of Electricity and the Tax Collector's Office. All of these departments also receive General Fund monies. Therefore, any additional Traffic Fine Fund revenues that can be used to support

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BUDGET ANALYST

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these departments' activities could offset and potentially reduce the required General Fund support for these departments.

5. The Police Commission recommended the same increase of overtime parking meter citation rates for both the downtown and neighborhood areas of the City that is being proposed by the Mayor's Office.

6. The proposed Traffic Code amendments to increase parking fines included in Items 5 through 9 of this report are summarized in the attachment at the end of the report.

Recommendation

The proposed ordinance to increase the penalties for parking meter violations from \$10 to \$12 in the neighborhood areas and from \$15 to \$20 in downtown San Francisco is a policy matter for the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 6 - File 124-89-9

1. The proposed ordinance would increase the minimum penalties for violations of posted time restrictions.

2. Section 32, Subsection (c) of Part II, Chapter XI of the City's Traffic Code currently imposes a fine of not less than \$15 in the downtown area and not less than \$10 in other areas of the City for parking on any street or alley for a longer period of time than permitted. The proposed ordinance would amend these rates to increase these minimum fines from \$15 to \$20, a 33 percent increase, in the downtown area, and from \$10 to \$12, a 20 percent increase, in all other areas of the City. The length of time permitted to park in each area is posted on signs erected by the Department of Public Works.

3. In terms of these provisions of the Traffic Code, the boundaries of the downtown area include the Embarcadero on the east to Howard Street on the south, 3rd and Kearny to the west and Washington Street to the north. In general, the proposed minimum fine of \$20 for downtown violations and \$12 for neighborhood violations would be the amount that a person violating the provision of the Traffic Code would be responsible to pay and would be identified on each parking citation. However, the bail schedule for individual fines would be set by the Municipal Court. The maximum fine for violation of parking in all posted time restricted areas is \$100. This \$100 maximum fine is not proposed to change under the proposed legislation.

4. Approximately 90,000 citations are issued annually for overtime parking in posted restricted areas. It is assumed that approximately 60 percent, or 54,000 of these citations are issued in the downtown area. At the proposed rate of \$20 per citation, a total of approximately \$1,080,000 of gross revenues could be generated from the downtown citations per year. The proposed downtown overtime zone fine represents an increase of \$5 per citation, or an increase of an additional annual \$270,000 of gross revenue. The Mayor's Office assumed that 65 percent of all citations issued would be paid, resulting in net additional annual revenues to the City of \$175,500 ($\$270,000 \times .65$).

5. It is assumed that approximately 40 percent, or 36,000 citations of the total 90,000 overtime zone parking citations, are issued in the City's neighborhood areas. At the proposed rate of \$12 per citation, a total of approximately \$432,000 of gross revenues could be generated per year. The proposed neighborhood overtime zone citation fine represents an increase of \$2 per citation, or an increase of an additional annual \$72,000 of gross revenue. The Mayor's Office assumed that 65 percent of all citations issued would be paid, resulting in net additional annual revenues to the City of approximately \$46,800 ($\$72,000 \times .65$).

Comments

1. The Controller's Office reports that based on the Internal Audit Division's review of the Municipal Court Traffic Citation System, the actual collection rate for the City for parking citations is approximately 70 percent. If this rate of collection continues, with the proposed increase in fines, the total net revenue generated by the City would increase. Based on the above calculation, if 70 percent of the gross revenues are collected, rather than 65 percent of the gross revenues, the City would receive approximately \$189,000 of additional revenues from the downtown overtime zone citation fine increase and approximately \$50,400 of additional revenues from the neighborhood overtime zone citation fine increase, for a total of \$239,400 per year. The Mayor's Office conservatively estimated that a total net revenue of \$222,300 would be generated by the proposed two meter citation increases. At the 70 percent collection rate, the City would receive a total of approximately \$17,100 more than at the 65 percent rate.

2. The Mayor's recommended budget for fiscal year 1989-90 assumes approval of the proposed citation fine increases and that the proposed rates would become effective as of July 1, 1989. However, given the current schedule, it does not appear likely that these rates could actually become effective until mid-August or possibly the first of September, 1989. Assuming a September 1, 1989 effective date and a 70 percent collection rate, the Budget Analyst projects that the City would receive approximately \$157,500 of additional revenue from the downtown overtime zone citation fine increase and approximately \$42,000 of additional revenues from the neighborhood overtime zone citation fine increase, for a total of \$199,500 additional revenues during FY 1989-90. This is approximately \$22,800 less than the Mayor's recommended budget contains. However, it should also be noted that none of these calculations assume a growth factor, when in fact, the number of parking citations issued per year have generally been increasing. This growth factor may offset the projected shortfall in revenues.

3. Based on discussions with the Police Department, there may also be some further delays because of the need to reprint existing tickets to reflect the new rates. In general, the Police Department reprints parking tickets every three months. At the time the Budget Analyst was preparing this report, the Police Department could not provide a definitive response regarding the amount of time that would be required to reprint new parking tickets to reflect any increases in fines.

4. If the proposed ordinance is adopted, the additional revenues would accrue to the City's Traffic Fine Fund. Although Traffic Fine Fund revenues are allocated as part of the City's budgetary process, Traffic Fine Funds can only be used to support traffic regulation and control in the City. Most of these funds are used to support Police Department activities with some monies also going to support activities in the Municipal Court, Department of Electricity and the Tax Collector's Office. All of these departments also receive General Fund monies. Therefore, any additional Traffic Fine Fund revenues that can be used to support

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these departments' activities could offset and potentially reduce the required General Fund support for these departments.

5. The Police Commission recommended the same increase of overtime posted time restriction citation rates for both the downtown and neighborhood areas of the City that are being proposed by the Mayor's Office.

6. The proposed Traffic Code amendments to increase parking fines included in Items 5 through 9 of this report are summarized in the attachment at the end of the report.

Recommendation

The proposed ordinance to increase the minimum penalties for parking in violation of posted time restrictions from \$15 to \$20 in downtown and from \$10 to \$12 in other areas of the City is a policy matter for the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 7 - File 124-89-10

1. The proposed ordinance would increase the minimum fine for parking violations in municipal off-street parking lots.

2. Under the proposed ordinance, Section 32.17 of Part II, Chapter XI of the San Francisco Municipal Code (Traffic Code) would be amended to increase the fine from not less than \$2, to not less than \$12 for those persons violating the provisions of Section 32.8 to 32.16 of the Traffic Code. The proposed change represents an increase of \$10 or a 500 percent increase. Currently, the maximum fine for violation of municipal off-street parking lot provisions is \$50. The current maximum fine of \$50 is not intended to change under the proposed legislation.

3. Approximately 15,000 citations are issued annually for parking violations in municipal off-street parking lots. At the proposed rate of \$12 per citation, a total of approximately \$180,000 of gross revenues could be generated per year. The proposed neighborhood overtime zone citation fine represents an increase of \$10 per citation, or an increase of an additional annual \$150,000 of gross revenue. The Mayor's Office assumed that 65 percent of all citations issued would be paid, resulting in net additional annual revenues to the City of approximately \$97,500 ($\$150,000 \times .65$).

Comments

1. The Controller's Office reports that based on the Internal Audit Division's review of the Municipal Court Traffic Citation System, the actual collection rate for the City for parking citations is approximately 70 percent. If this rate of collection continues, with the proposed increase in fines, the total net revenue generated by the City would increase. Based on the above calculation, if 70 percent of the gross revenues are collected, rather than 65 percent of the gross revenues, the City would receive approximately \$105,000 of additional net revenues from off-street parking lot citation fine increase. At the 70 percent collection rate, the City would receive a total of approximately \$7,500 more than at the 65 percent rate.

2. The Mayor's recommended budget for fiscal year 1989-90 assumes approval of the proposed citation fine increase and that the proposed rate would become effective as of July 1, 1989. However, given the current schedule, it does not appear likely that these rates could actually become effective until mid-August or possibly the first of September, 1989. Assuming a September 1, 1989 effective date and a 70 percent collection rate, the Budget Analyst projects that the City would receive approximately \$87,500 of additional revenue from the proposed off-street parking citation fine increase during FY 1989-90. This is approximately \$10,000 less than the Mayor's recommended budget contains. However, it should also be noted that none of these calculations assume a growth factor, when in fact, the number of parking citations issued per year have generally been increasing. This growth factor may offset the projected shortfall in revenues.

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3. Based on discussions with the Police Department, there may also be some further delays because of the need to reprint existing tickets to reflect the new rates. In general, the Police Department reprints parking tickets every three months. At the time the Budget Analyst was preparing this report, the Police Department could not provide a definitive response regarding the amount of time that would be required to reprint new parking tickets to reflect any increases in fines.

4. If the proposed ordinance is adopted, the additional revenues would accrue to the City's Traffic Fine Fund. Although Traffic Fine Fund revenues are allocated as part of the City's budgetary process, Traffic Fine Funds can only be used to support traffic regulation and control in the City. Most of these funds are used to support Police Department activities with some monies also going to support activities in the Municipal Court, Department of Electricity and the Tax Collector's Office. All of these departments also receive General Fund monies. Therefore, any additional Traffic Fine Fund revenues that can be used to support these departments' activities could offset and potentially reduce the required General Fund support for these departments.

5. The Police Commission recommended an increase from \$2 to \$10 for off-street parking violations as opposed to the \$12 fine that is being proposed by the Mayor's Office. Assuming a \$10 fine and therefore only an \$8 increase, a 70 percent collection rate and ten months of actual collection in FY 1989-90, an estimated \$70,000 of revenues would be generated in FY 1989-90. This is in comparison with the projected approximately \$97,500 budgeted in the Mayor's recommended FY 1989-90 budget.

6. The proposed Traffic Code amendments to increase parking fines included in Items 5 through 9 of this report are summarized in the attachment at the end of the report.

Recommendation

The proposed ordinance to increase the minimum penalty for parking violations in municipal off-street parking lots from \$2 to \$12 is a policy matter for the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 8 - File 124-89-11

1. The proposed ordinance would amend the San Francisco Municipal Code (Traffic Code) to increase the penalties for preferential parking violations from \$20 to \$30.

2. Section 315, Subsection (a) of Part II, Chapter XI of the City's Traffic Code currently imposes a fine of not more than \$20 for parking a motor vehicle in a preferential parking area without a valid and appropriate parking permit for longer than the time limitation established for the area. The proposed ordinance would increase this fee from a maximum of \$20 to not less than \$30 or more than \$50. The proposed increase represents a 50 percent to a 150 percent increase.

3. In general, the proposed minimum fine of \$30 would be the amount that a person violating the provision of the Traffic Code would be responsible to pay and would be identified on each parking citation. However, the bail schedule for individual fines would be set by the Municipal Court.

4. Approximately 200,000 preferential parking citations are issued annually. At the proposed rate of \$30 per citation, a total of approximately \$6,000,000 of gross revenues could be generated per year. The proposed \$30 preferential parking citation fine represents an increase of \$10 per citation, or an increase of an additional annual \$2,000,000 of gross revenue. The Mayor's Office assumed that 65 percent of all citations issued would be paid, resulting in net additional annual revenues to the City of \$1,300,000 (\$2 million x .65).

Comments

1. The Controller's Office reports that based on an Internal Audit Division's review of the Municipal Court Traffic Citation System, the actual collection rate for the City for parking citations is approximately 70 percent. If this rate of collection continues, with the proposed increase in fines, the total net revenue generated by the City would increase. Based on the above calculation, if 70 percent of the gross revenues are collected, rather than 65 percent of the gross revenues, the City would receive approximately \$1,400,000 of additional net revenues per year. At the 70 percent collection rate, the City would receive approximately \$100,000 more than at the 65 percent rate.

2. The Mayor's recommended budget for fiscal year 1989-90 assumes approval of the proposed citation fine increases and that the proposed rates would become effective as of July 1, 1989. However, given the current schedule, it does not appear likely that these rates could actually become effective until mid-August or possible the first of September, 1989. Assuming a September 1, 1989 effective date and a 70 percent collection rate, the Budget Analyst projects that the City would receive approximately \$1,166,667 of additional revenue from the preferential parking citation fine increase during FY 1989-90. This is approximately \$133,333 less than the Mayor's recommended budget contains. However, it should also be noted that none of these calculations assume a growth factor, when in fact, the number of parking citations issued per year have

Memo to Finance Committee
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generally been increasing. This growth factor may offset the projected shortfall in revenues.

3. Based on discussions with the Police Department, there may also be some further delays because of the need to reprint existing tickets to reflect the new rates. In general, the Police Department reprints parking tickets every three months. At the time the Budget Analyst was preparing this report, the Police Department could not provide a definitive response regarding the amount of time that would be required to reprint new parking tickets to reflect any increases in fines.

4. If the proposed ordinance is adopted, the additional revenues would accrue to the City's Traffic Fine Fund. Although Traffic Fine Fund revenues are allocated as part of the City's budgetary process, Traffic Fine Funds can only be used to support traffic regulation and control in the City. Most of these funds are used to support Police Department activities with some monies also going to support activities in the Municipal Court, Department of Electricity and the Tax Collector's Office. All of these departments also receive General Fund monies. Therefore, any additional Traffic Fine Fund revenues that can be used to support these departments' activities could offset and potentially reduce the required General Fund support for these departments.

5. The Police Commission recommended an increase from \$20 to \$25 for preferential parking violations as opposed to the \$30 fine that is being proposed by the Mayor's Office. Assuming a \$25 fine and therefore only a \$5 increase, a 70 percent collection rate and ten months of actual collection in FY 1989-90, an estimated \$583,333 of revenues would be generated in FY 1989-90. This is in comparison with the projected approximately \$1.3 million budgeted in the Mayor's recommended FY 1989-90 budget.

6. The proposed Traffic Code amendments to increase parking fines included in Items 5 through 9 of this report are summarized in the attachment at the end of the report.

Recommendation

The proposed ordinance to increase the penalty for preferential parking violations from a maximum of \$20 to a minimum of \$30 and a maximum of \$50 is a policy matter for the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 9 - File 124-89-12

1. The proposed ordinance would amend the San Francisco Municipal Code (Traffic Code) to increase the penalty for street cleaning violations.

2. Section 37, Subsection (c) of Article 3, Part II, Chapter XI of the City's Traffic Code currently imposes a fine of not more than \$10 for violating the street cleaning provisions on the days and between the hours posted on each side of the street. The proposed ordinance would increase this fee from not more than \$10 to not less than \$15 or more than \$40. The proposed increase represents between a 50 percent and a 300 percent increase.

3. In general, the proposed minimum fine of \$15 would be the amount that a person violating this provision of the Traffic Code would be responsible to pay and would be identified on each parking citation. However, the bail schedule for individual fines would be set by the Municipal Court.

4. Approximately 860,000 preferential parking citations are issued annually. At the proposed rate of \$15 per citation, a total of approximately \$12,900,000 of gross revenues could be generated per year. The proposed \$15 street cleaning parking citation fine represents an increase of \$5 per citation, or an increase of an additional annual \$4,300,000 of gross revenue. The Mayor's Office assumed that 65 percent of all citations issued would be paid, resulting in net additional annual revenues to the City of \$2,795,000 (\$4.3 million x .65).

Comments

1. The Controller's Office reports that based on an Internal Audit Division's review of the Municipal Court Traffic Citation System, the actual collection rate for the City for parking citations is approximately 70 percent. If this rate of collection continues, with the proposed increase in fines, the total net revenue generated by the City would increase. Based on the above calculation, if 70 percent of the gross revenues are collected, rather than 65 percent of the gross revenues, the City would receive approximately \$3,010,000 of additional net revenues per year. At the 70 percent collection rate, the City would receive approximately \$215,000 more than at the 65 percent rate.

2. The Mayor's recommended budget for fiscal year 1989-90 assumes approval of the proposed citation fine increases and that the proposed rates would become effective as of July 1, 1989. However, given the current schedule, it does not appear likely that these rates could actually become effective until mid-August or possible the first of September, 1989. Assuming a September 1, 1989 effective date and a 70 percent collection rate, the Budget Analyst projects that the City would receive approximately \$2,508,333 of additional revenue from the street cleaning parking citation fine increase during FY 1989-90. This is approximately \$286,667 less than the Mayor's recommended budget contains. However, it should also be noted that none of these calculations assume a growth factor, when in fact, the number of parking citations issued per year have generally been increasing. This growth factor may offset the projected shortfall in revenues.

BOARD OF SUPERVISORS
BUDGET ANALYST

3. Based on discussions with the Police Department, there may also be some further delays because of the need to reprint existing tickets to reflect the new rates. In general, the Police Department reprints parking tickets every three months. At the time the Budget Analyst was preparing this report, the Police Department could not provide a definitive response regarding the amount of time that would be required to reprint new parking tickets to reflect any increases in fines. If additional delays are required, additional reductions in the projected revenues would result.

4. If the proposed ordinance is adopted, the additional revenues would accrue to the City's Traffic Fine Fund. Although Traffic Fine Fund revenues are allocated as part of the City's budgetary process, Traffic Fine Funds can only be used to support traffic regulation and control in the City. Most of these funds are used to support Police Department activities with some monies also going to support activities in the Municipal Court, Department of Electricity and the Tax Collector's Office. All of these departments also receive General Fund monies. Therefore, any additional Traffic Fine Fund revenues that can be used to support these departments' activities could offset and potentially reduce the required General Fund support for these departments.

5. The Police Commission recommended an increase from \$10 to \$12 for street cleaning violations as opposed to the \$15 fine that is being proposed by the Mayor's Office. Assuming a \$12 fine and therefore only a \$2 increase, a 70 percent collection rate and ten months of actual collection in FY 1989-90, an estimated \$1,003,333 of revenues would be generated in FY 1989-90. This is in comparison with the projected approximately \$2,795,000 budgeted in the Mayor's recommended FY 1989-90 budget.

6. The proposed Traffic Code amendments to increase parking fines included in Items 5 through 9 of this report are summarized in the attachment at the end of the report.

Recommendation

The proposed ordinance to increase the penalty for street cleaning parking violations from a maximum of \$10 to a minimum of \$15 and a maximum of \$40 is a policy matter for the Board of Supervisors.

Item 10 - File 124-89-13

1. The proposed ordinance would amend the San Francisco Municipal Code (Traffic Code) to extend for one year the period during which net revenues from the Sutter-Stockton Garage are deposited in the Off-Street Parking Fund, to allow parking revenues to be used for the Parking and Traffic Commission and Department expenses and to authorize the Parking and Traffic Commission to make recommendations regarding the Off-Street Parking Fund.

2. According to Section 213 of Article 12 of the City's Traffic Code, all monies deposited in City parking meters are collected by the City Tax Collector and deposited in the City's Treasury. Beginning in fiscal year 1988-89, the first \$6 million of parking meter revenues collected are allocated to the City's General Fund. All parking meter funds that exceed \$6 million are credited to the Off-Street Parking Fund. In addition, the net revenues from off-street City-owned parking facilities built by the City with funds from the Off-Street Parking Fund and leased by the City to private operators, are deposited in the Off-Street Parking Fund. These facilities include the Lombard Street Garage, Performing Arts Center Garage, Mission/Bartlett Garage, Vallejo Street Garage and the Hoff and 16th Street Garage. Finally, the net revenues from specific additional facilities, such as the St. Mary's Garage, except for the portion dedicated to the Recreation and Park Department, the Seventh and Harrison Parking Plaza, the Marshall Square Parking Plaza and the Sutter-Stockton Garage are credited to the Off-Street Parking Fund.

3. Under existing legislation, the net revenues from the Sutter-Stockton Garage will be allocated to the City's General Fund after fiscal year 1989-90. The Off-Street Parking Fund receives all net revenues from the Sutter-Stockton Garage for the period between fiscal years 1985-86 and 1989-90. This proposed ordinance would extend this period by one year, until fiscal year 1990-91. According to Mr. Phil Chin of the Parking Authority, the Sutter-Stockton Garage generates approximately \$2 million of net annual revenue for Off-Street Parking Fund.

4. For fiscal year 1989-90, the Mayor's recommended budget includes as General Fund revenue a transfer of \$2.3 million from the Off-Street Parking Fund to the City's General Fund. This proposed ordinance would, in effect, reimburse the Off-Street Parking Fund of approximately \$2 million of additional revenues in fiscal year 1990-91 from the Sutter-Stockton Garage for the transfer of the \$2.3 million to the General Fund during fiscal year 1989-90.

BOARD OF SUPERVISORS
BUDGET ANALYST

5. According to the Mayor's Office, as of the end of fiscal year 1988-89 there will be approximately \$21.3 million in the Off-Street Parking Fund. Of this amount, the Mayor's recommended budget includes \$4.1 million for the Parking Authority's expenditures in FY 1989-90 and recommends another \$12.2 million for approved and potential parking projects. Together, this results in a remaining balance in the Off-Street Parking Fund of approximately \$5 million. If the proposed \$2.3 million of Off-Street Parking Fund revenues are transferred to the General Fund, this would leave a remaining uncommitted balance of \$2.7 million in the Off-Street Parking Fund for 1989-90.

6. The proposed ordinance would also add language to permit the Off-Street Parking Fund to be used for both administrative and operating expenses of the Department of Parking and Traffic, the Parking and Traffic Commission and the Parking Authority. Under the current provisions, the Off-Street Parking Fund is only permitted to fund administrative expenses of the Parking Authority.

7. The proposed ordinance would also replace the Parking Authority with the Parking and Traffic Commission as the organization that is responsible for making recommendations regarding the expenditures from the Off-Street Parking Fund. It should be noted, however, that all expenditures of funds from the Off-Street Parking Fund must be approved by the Board of Supervisors pursuant to the budget and fiscal provisions of the City Charter.

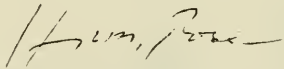
8. The proposed Department and Commission of Parking and Traffic is the result of Proposition D, a Charter amendment which was approved by the voters of San Francisco in November of 1988. This amendment directed the City to consolidate all parking and traffic administrative and operating functions within one City organization. To date, neither the Parking and Traffic Commission nor the Parking and Traffic Department exist. However, appointments to the Commission are currently pending before the Rules Committee of the Board of Supervisors. And, the Mayor's recommended budget for the Parking Authority for 1989-90 includes approximately \$175,000 for salaries and fringe benefits for four new positions to staff the proposed new Department of Parking and Traffic. On an annual basis, the estimated cost for the four positions will be \$347,000.

9. The Mayor's recommended FY 1989-90 budget for the Parking Authority assumes the transfer of \$2.3 million from the Off-Street Parking Fund to the City's General Fund. As noted above, the proposed amendment would provide additional administrative changes to enable the newly created Parking and Traffic Commission and Department to operate. The proposed ordinance would also, in effect, reimburse the Off-Street Parking Fund for approximately \$2 million of the \$2.3 million of Off-Street Parking funds proposed to be transferred to the General Fund for FY 1989-90 by extending the net revenue agreement on the Sutter-Stockton Garage for one year.

Memo to Finance Committee
June 21, 1989

Recommendation

The proposed ordinance is a policy matter for the Board of Supervisors.


Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
President Britt
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

BOARD OF SUPERVISORS
BUDGET ANALYST

Attachment

<u>Item</u>	<u>File Number</u>	<u>Traffic Code Section Amended</u>	<u>Type of Violation</u>	<u>Current Fine Min/Max</u>	<u>Proposed Fine Min/Max</u>	<u>Mayor's Estimate of New Revenue Minimum*</u>	<u>Budget Analyst's Estimate of New Revenue Minimum**</u>
5	124-89-8	210(a)	Parking Meter Overtime-Neighborhoods	\$10/30	\$12/40	\$871,000	\$781,667
		210(b)	Parking Meter Overtime - Downtown	\$15/40	\$20/50	\$357,500	\$320,833
6	124-89-9	32(c)	Over Posted Time - Downtown	-\$15/None	\$20/None	\$175,500	\$157,500
			Over Posted Time - Neighborhoods	\$10/None	\$12/None	\$46,800	\$42,000
7	124-89-10	37.17	Off-Street Parking Lots	\$2/None	\$12/None	\$97,500	\$87,500
8	124-89-11	315(a)	Preferred Parking	\$20/None	\$30/None	\$1,300,000	\$1,166,667
9	124-89-12	37(c)	Street Cleaning	None/\$10	\$15/40	<u>\$2,795,000</u>	<u>\$2,508,333</u>
Total Estimated New Revenue						\$5,643,300	\$5,064,500

*Mayor's estimated revenue assumes implementation on July 1, 1989, and 65% of citations issued will be paid.

**Budget Analyst's estimated revenue assumes implementation on September 1, 1989, and 70% of citations issued will be paid.

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Actions Taken

CALENDAR
DEPARTMENTAL BUDGET HEARINGS
FINANCE COMMITTEE

DOCUMENTS DEPT.

JUN 27 1989

Board of Supervisors
City and County of San Francisco

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THURSDAY, JUNE 22, 1989 - 1:30 P.M. ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

CLERK: GREG HOBSON

1. Hearing to consider the Annual Budget of the City and County of San Francisco for Fiscal Year 1989-90. (Mayor)

HUMAN WELFARE

- 26 Commission on Aging
- 34 Human Rights Commission
- 48 Commission on the Status of Women
- 45 Social Services

COMMUNITY HEALTH

- 83 Public Health Central Office
- 85 Laguna Honda Hospital
- 86 San Francisco General Hospital
- 87 Community Mental Health Services

PUBLIC WORKS, TRANSPORTATION AND COMMERCE

- 49 Hetch Hetchy Project
- 47 Water Department

ACTION: DEPARTMENTAL BUDGET REVIEW HELD. AMENDMENTS WERE MADE TO BUDGETS OF THE ABOVE DEPARTMENTS AS STATED IN BUDGET ANALYST'S RECOMMENDATION DATED JUNE 22, 1989, AND AMENDED BY COMMITTEE. MAYOR'S OFFICE CLERICAL ERRORS AS SUBMITTED ADOPTED.

Action Taken

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CALENDAR
DEPARTMENTAL BUDGET REVIEW HEARINGS
FINANCE COMMITTEE

DOCUMENTS DEPT.

JUN 27 1989

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Board of Supervisors
City and County of San Francisco

FRIDAY, JUNE 23, 1989 - 10:00 A.M. ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

ABSENT: SUPERVISOR WARD - AIRPORT, REGISTRAR AND MUNICIPAL COURT

DISSENTING: SUPERVISOR HALLINAN - CITY PLANNING
SUPERVISOR WARD - PUBLIC WORKS

CLERK: GREG HOBSON

1. Hearing to consider the Annual Budget of the City and County of San Francisco for Fiscal Year 1989-90. (Mayor)

Public Works, Transportation and Commerce Continued

90 Public Works
92 Clean Water Program
27 Airport
39 Port
36 Parking Authority
75 Electricity
40 Public Utilities Commission (PUC)
49 PUC Light, Heat and Power
35 Municipal Railway

99 Capital Projects

"Catch-Up Session"

Mayor
City Planning
Civil Service
Registrar
Rent Arbitration Board
Recreation and Park
Municipal Court
Police
Public Health

ACTION: DEPARTMENTAL BUDGET REVIEW HELD. AMENDMENTS WERE MADE TO BUDGETS OF THE ABOVE DEPARTMENTS AS STATED IN BUDGET ANALYST'S RECOMMENDATION DATED JUNE 23, 1989, AND AMENDED BY COMMITTEE. MAYOR'S OFFICE CLERICAL ERRORS AS SUBMITTED ADOPTED FOR CLEAN WATER PROGRAM, PUBLIC UTILITIES COMMISSION-LIGHT, HEAT AND POWER, MAYOR'S OFFICE, AND REGISTRAR. THE FOLLOWING CAPITAL PROJECTS ADDED - BOARD OF SUPERVISORS, \$15,720; HALL OF JUSTICE, \$60,280 AND FINE ARTS MUSEUM, \$35,000. FILE CONTINUED TO RECESSED MEETING, WEDNESDAY, JUNE 28, 1989, 2:00 P.M. POLICE DEPARTMENT- SENIOR ESCORT AND "CATCH-UP SESSION" CONTINUED.

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CALENDAR - [ACTIONS
TAKEN]
MEETING OF
FINANCE COMMITTEE

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JUN 30 1989

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Board of Supervisors
City and County of San Francisco

WEDNESDAY, JUNE 28, 1989 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

CLERK: GREG HOBSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

CONSENT CALENDAR

- I. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll-call vote of the committee. There will be no separate discussion of these items unless a member of the committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
 - a) File 23-89-6. [Claim Against the Government] Resolution waiving the statute of limitations with respect to payment of certain warrant of the City and County of San Francisco payable to Diana Strattan, in the sum of \$986.07, a legal obligation of the City and County of San Francisco. (Dept. Public Health)
 - b) File 23-89-7. [Claim Against the Government] Resolution waiving the statute of limitations with respect to payment of certain warrant of the City and County of San Francisco payable to Margaret Shea, in the sum of \$239, 73, a legal obligation of the City and County of San Francisco. (SF Community College District)
 - c) File 82-89-6. [Acquisition - Noise Easements] Resolution authorizing acquisition of approximately 28 noise easements in the City of Millbrae for purposes of Airport noise mitigation. (Real Estate Dept.)
 - d) File 100-88-20. Requesting release of reserved funds, Fire Department, in the amount of \$230,965, for the following three expenses (\$150,065 - Core Corporation, Examination, for H2O Lieutenant and H2 Firefighter, \$20,900 - Anti-Defamation League, for Human Relations Training and \$60,000 Mathis & Associates, for Training - 90-Day Action Plan - Phase II). (Fire Dept.)
 - e) File 38-89-15. [Acceptance of Gifts] Resolution accepting a gift of \$500,000 from California Center Partners for the improvement of Portsmouth Square. (Recreation and Park Dept.)
 - f) File 107-89-3. [Contract - Family Service Agency] Resolution authorizing the execution of an agreement between the City and County of San Francisco and Family Service Agency of San Francisco to provide funds in the amount of \$86,768 for out of home respite services in support of child abuse and neglect prevention for fiscal year 1989-90. (Dept. Social Services)

ACTION: ITEM D REMOVED FROM CONSENT CALENDAR. REMAINING ITEMS RECOMMENDED.

ITEM D - TABLED.

REGULAR CALENDAR

2. File 107-89-2. [Contract - Children's Home Society] Resolution authorizing the execution of an agreement between the City and County of San Francisco and Children's Home Society of California to provide funds in the amount of \$86,485 for in-home services in support of child abuse and neglect prevention for fiscal year 1989-90. (Dept. Social Services)

ACTION: RECOMMENDED.

3. File 101-88-95.2. Requesting release of reserved funds, Juvenile Court, in the amount of \$244,300 for culturally relevant community based multi-service system. (Supervisor Walker)

ACTION: RELEASE OF \$244,300 APPROVED. FILED.

4. File 102-88-38. [Public Employment] Ordinance amending Annual Salary Ordinance, 1988-89, Office of the Chief Administrative Officer, reflecting the addition of seven (7) positions. (Civil Service Commission)

ACTION: CONTINUED TO THE CALL OF THE CHAIR.

5. File 151-89-1. [Redevelopment Agency Financing] Resolution finding that a Pier 36 Ship Repair Facility is of benefit to the Rincon Point-South Beach Redevelopment Project Area and that there is no reasonable means of financing said facility other than by the Redevelopment Agency of the City and County of San Francisco; and consenting to such financing. (Redevelopment Agency)

ACTION: RECOMMENDED.

6. File 84-89-1. [Acquisition of Real Property - Mission Armory] Resolution authorizing acquisition of Mission Armory for uses in connection with eligible activities under Title I of the Housing and Community Development Act of 1974 and further authorizing the expenditure of one million four hundred thousand dollars (\$1,400,000) from the San Francisco Urban Development Action Grant Revolving Fund to acquire said property, and adopting findings pursuant to City Planning Code Section 101.1. (Supervisor Gonzalez)

ACTION: AMENDMENT OF THE WHOLE BEARING NEW TITLE PRESENTED BY SUPERVISOVS GONZALEZ. ADOPTED. RECOMMENDED. NEW TITLE: "Authorizing acquisition of Mission Armory for uses in connection with eligible activities under Title I of the Housing and Community Development Act of 1974 and further authorizing the expenditure of one million four hundred thousand dollars (\$1,400,000) from the San Francisco Urban Development Action Grant Revolving Fund to acquire said property, adopting findings pursuant to City Planning Code Section 101.1, and rescinding Resolution 1118-87."

7. File 97-89-28. [UDAG Revolving Fund] Ordinance amending Chapter 10 of the San Francisco Administrative Code by amending Section 10.117-59 to authorize expenditures from the fund to acquire property for use in connection with activities eligible under Title I of the Housing and Community Development Act of 1974. (Supervisor Gonzalez)

ACTION: RECOMMENDED.

8. File 168-89-5. [Eminent Domain - Public Hearing] Motion declaring intention of the Board of Supervisors to hold a public hearing to consider adopting a resolution of necessity in connection with a proposal to acquire by eminent domain Lots 3 thru 6, 9, 11 and 13 in Assessor's Block 4629A in San Francisco for the Open Space Program. (Real Estate Dept.) (COMPANION TO THE FOLLOWING FILE)

ACTION: AMENDED. RECOMMENDED AS AMENDED. Insert September 11, 1989, 3:00 p.m. for public hearing date.

9. File 168-89-5.1. [Eminent Domain] Resolution authorizing acquisition of Lots 3 thru 6, 9, 11 and 13 in Assessor's Block 4629A by eminent domain for the Open Space Program, and to adopt findings pursuant to City Planning Code Section 101.1. (Real Estate Dept.) (COMPANION TO THE PRECEDING FILE)

ACTION: TO BOARD "WITHOUT RECOMMENDATION". (To appear on Board calendar as companion to File 168-89-5 on September 11, 1989.)

10. File 101-88-57.1. Requesting release of reserved funds, Department of City Planning, in the amount of \$120,000, for Seismic Retrofit Program. (Supervisor Walker)

ACTION: RELEASE OF \$110,000 APPROVED; FILED.

CLOSED SESSION

11. File 45-89-22. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Ming Wong against the City and County by payment of \$6,000. (City Attorney) (Superior Court No. 893-783)

ACTION: RECOMMENDED.

12. File 45-89-28. [Settlement of Lawsuit] Resolution authorizing settlement of litigation of Fred Tyson against the City and County by payment of \$25,000. (City Attorney) (Superior Court No. 887-128)

ACTION: RECOMMENDED.

13. File 48-89-6. [Settlement of Claim] Resolution approving the settlement of the unlitigated claim of Francis Chi-King Fung and Shuk Chee Lam vs. City and County of San Francisco by payment of \$11,100. (City Attorney)

ACTION: RECOMMENDED.

14. File 48-89-7. [Settlement of Claim] Resolution approving the settlement of the unlitigated claim of Jennifer Staas vs. City and County of San Francisco by payment of \$7,744.11. (City Attorney)

ACTION: RECOMMENDED.

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OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST *Recommendation*

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

June 28, 1989

TO: Finance Committee
FROM: Budget Analyst
SUBJECT: June 28, 1989 Finance Committee Meeting

DOCUMENTS DEPT.

JUN 29 1989

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Item 1a - File 23-89-6

Item: The proposed resolution would waive the statute of limitations pertaining to the payment of a City and County of San Francisco warrant.

Description: If the proposed resolution is approved by the Board of Supervisors, it would authorize the Controller to replace a previously issued warrant to Diana Strattan, a former Public Health employee. The warrant had been misplaced until recently.

Fiscal
Year

<u>Issued</u>	<u>Warrant No.</u>	<u>Amount</u>	<u>Purpose</u>
1982-83	515-3527575	\$986.07	Payment of Wages

Comments: The above warrant was issued through the Controller's Payroll Division. The Controller's Office has verified that funds are available and that the original warrant has been returned by the Department of Public Health and cancelled by the Controller.

Recommendation: Approve the proposed resolution.

Item 1b - File 23-89-7

Item: The proposed resolution would waive the statute of limitations pertaining to the payment of a City and County of San Francisco warrant.

Description: If the proposed resolution is approved by the Board of Supervisors, it would authorize the Controller to replace a previously issued warrant to Margaret Shea, a former San Francisco Community College District employee. The warrant had been misplaced until recently.

Fiscal
Year

<u>Issued</u>	<u>Warrant No.</u>	<u>Amount</u>	<u>Purpose</u>
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1984-85	515-4943152	\$239.73	Payment of Wages
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Comments: The above warrant was issued through the Controller's Payroll Division. The Controller's Office has verified that funds are available and that the original warrant has been returned by the Community College District and cancelled by the Controller.

Recommendation: Approve the proposed resolution.

Item 1c - File 82-89-6

Department: Real Estate Department
Airports Commission

Item: Resolution authorizing acquisition of approximately 28 noise easements in the City of Millbrae for purposes of airport noise mitigation.

Description: 1. The San Francisco International Airport's Noise Easement Acquisition program consists of insulating private residences and schools in the City of Millbrae and other cities which are located near the San Francisco Airport.

2. The City's Director of Property, at the request of the Airports Commission, would purchase 28 noise easements from home owners within the City of Millbrae at an estimated cost of \$71,363.39. Funds in this amount have been previously appropriated and are available for the acquisition of these noise easements.

3. Acquisition of these noise easements constitutes Phase II of the Noise Abatement Program in the City of Millbrae. On July 18, 1988, the Board of Supervisors approved Resolution 588-88 authorizing the purchase of 39 noise easements in the City of Millbrae for an estimated cost of \$125,000 as part of Phase I.

4. Once purchased, the noise easements would remain in effect for 20 years. In return for the grant of easements, the City would pay 20% of the total construction cost to insulate the residences. In addition, the City would also pay 20% of the title insurance fees. The City of Millbrae would pay the remaining 80% of the total construction costs and insurance fees with funding obtained from Federal grant funds.

Comments: 1. The Board of Supervisors has also previously approved the acquisition of noise easements in the Cities of San Bruno and South San Francisco, as part of the City's ongoing Airport Noise Monitoring Program.

2. The proposed Noise Easement Acquisition Program is in conformity with the City of Millbrae's Master Plan per its City Council Resolution No. 88-70.

3. According to Mr. Don Garibaldi of the City Attorney's Office, the Airport has spent over \$1,000,000 in legal and related costs to defend against noise-related small claims lawsuits filed by San Mateo County residents since 1982. The

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
June 28, 1989

City's acquisition of noise easements is expected to reduce the volume of such claims.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 1d - File 100-88-20

Department: Fire Department

Item: Release of reserve

Amount: \$230,965

Description: According to the Fire Department, outstanding bills payable from the Consent Decree Division's Professional Services account cannot be paid until a reserve is released. The outstanding bills are as follows:

<u>Vendor</u>	<u>Service</u>	<u>Amount Due</u>
CORE Corporation	Development of examinations for H2 Firefighter and H20 Lieutenant	\$150,065
Anti-Defamation League	Human Relations Training	20,900
Mathis & Associates	90-day Action Plan Training	<u>60,000</u>
Total		\$230,965

Comment: Upon reexamination of the reserve status of the Consent Decree budget, the Fire Department has determined that sufficient unreserved funds are available and, therefore, requests that this item be filed.

Recommendation: File this request.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 1e - File 38-89-15

Department: Recreation and Park Department

Item: Resolution authorizing the acceptance of a \$500,000 cash gift from California Center Partners for the improvement of Portsmouth Square.

Fund: Open Space Acquisition and Park Renovation Fund

Description: California Center Partners offers the \$500,000 cash gift to the Open Space Fund for the improvement of Portsmouth Square in order to meet the terms of a settlement agreement with San Franciscans for Reasonable Growth. San Franciscans for Reasonable Growth took legal action against Norland Properties (California Center Partners is the successor to Norland Properties) for the construction of a new hotel at 345 California Street.

This hotel building obstructs sunlight and casts a shadow on Portsmouth Square. The proposed gift is intended to compensate for the shadowing of Portsmouth Square.

The \$500,000 would be used for the construction of a senior citizen center, the relocation of a portion of the children's area, new pavement, seating and entryways for Portsmouth Square. These improvements are elements of the Master Plan for Portsmouth Square.

The amount of the gift results from a settlement agreement between California Center Partners and San Franciscans for Reasonable Growth.

Recommendation: Approve the proposed resolution.

Item 1f - File 107-89-3

Department: Social Services (DSS)

Item: Resolution authorizing DSS to execute an agreement with the Family Service Agency of San Francisco to provide funds for out-of-home respite services in support of child abuse and neglect prevention.

Sources of Funds: State funds administered by the State Department of Social Services, Office of Child Abuse Prevention. The funds are budgeted in the 1989-90 budget in the Family & Children Services Division of DSS.

Amount: \$100,997 (\$86,768 State funds, \$14,229 Contractors' match)

Contract Period: July 1, 1989 - June 30, 1990

Budget:

Personnel:		
Salaries	\$27,149	
Fringe Benefits	<u>3,083</u>	
Subtotal - Personnel		\$30,232
Contract Services:		
Provider Fees	35,912	
Foster Grandparents	4,576	
Volunteer Relief Worker	13,391	
Meals	1,250	
Miscellaneous	<u>200</u>	
Subtotal - Contract Services		55,329
Operating Expenses:		
Telephone	360	
Staff Travel	250	
Duplicating and Printing	200	
Office Supplies	175	
Insurance	1,000	
Building Supplies	<u>130</u>	
Subtotal - Operating Expenses		2,115
Indirect Costs		<u>13,321</u>
Total		\$100,997

BOARD OF SUPERVISORS
BUDGET ANALYST

- Description:** This is a continuation of an existing contractual agreement between Family Service Agency of San Francisco and the City and County, and is part of a three year grant program administered by the State Office of Child Abuse Prevention. The agreement provides for temporary out-of-home respite care for children in danger of neglect or abuse within the family.
- Comment:** DSS reports that this proposed resolution is required pursuant to State AB 1733, which mandates that the Board of Supervisors authorize the acceptance of these grant funds.
- Recommendation:** Approve the proposed resolution.

Item 2 - File 107-89-2

Department: Department of Social Services (DSS)

Item: Resolution authorizing the execution of an agreement between the City and County of San Francisco and the Children's Home Society of California (CHS) to provide funds for in-home support services to prevent child abuse and neglect for Fiscal Year 1989-90.

Amount: \$86,485

Source of Funds: State funds administered by the State Department of Social Services, Office of Child Abuse Prevention. The funds are budgeted in the 1989-90 budget in the Family & Children Services Division of DSS.

Contract Period: July 1, 1989 to June 30, 1990.

Description: This is a continuation of an existing contractual agreement with the Children's Home Society to provide in-home support services to prevent child abuse and child neglect. The proposed program budget by CHS for 1989-90 is as follows:

Personnel Costs:

1 Program Supervisor @ 12%	\$ 4,175
5 Social Worker II @ 12%	14,274
13 Social Worker I @ 12%	30,890
2 Secretary II @ 12%	4,468
1 Accounting Clerk @ 12%	1,978

Fringe Benefits	<u>13,946</u>
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SUBTOTAL Salary & Fringes	\$69,731
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BOARD OF SUPERVISORS
BUDGET ANALYST

Program Costs:	
Contractual Services	\$3,222
Travel, Conferences & Meetings	974
Rent	2,764
Telephone	2,527
Materials & Supplies	1,973
Other Costs	<u>13,943</u>
SUBTOTAL Program Costs	\$25,403
CHS Contribution	<u>(8,649)</u>
TOTAL Contract Cost	\$86,485

The contribution by CHS of \$8,649 represents a ten percent match as required by the State Office of Child Abuse Prevention.

Comments:

This contract does not provide for Emergency Shelter Care services, and is separate from the Emergency Shelter Care Program agreement between CHS and the City and County that will end July 1, 1989.

The 1989-90 contract amount of \$86,485 is the same as the 1988-89 contract amount. However, CHS's hourly rate for services will increase from \$42.21 in 1988-89 to \$48.25 in 1989-90, or a 14.3 percent increase. As a result, the estimated number of contract hours of service provided to client families will decrease from 2,049 in 1988-89 to 1,792 in 1989-90.

DSS reports that this proposed resolution is required pursuant to State AB 1733, which mandates that the Board of Supervisors authorize the acceptance of these grant funds.

Recommendation:

Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 3- File 101-88-95.2

Department: Juvenile Court

Item: Request to release a reserve

Amount: \$244,300

Source of Funds: \$3 million in State Outer Continental Shelf Lands Act (OCLSA) Funds

Description:

1. The Juvenile Court is requesting a release of a reserve in the amount of \$244,300 for professional services in order to provide culturally relevant community-based programs for primarily Black youth and juvenile offenders. The proposed program would provide early intervention through five basic program components: (1) case coordination/management, (2) home detention supervision for 20 youth, (3) self-esteem and image building workshops, (4) mentoring and positive role models and (5) collaborative planning and program assessment. The proposed program is intended to serve Black youth under the age of 14 who live in Bayview Hunter's Point and the Western Addition.

2. According to the Juvenile Probation Department, this project will focus on Black youth because of the overrepresentation of Black youth in the juvenile justice system coupled with the increased likelihood that this group will reenter the juvenile justice system. Between January and September, 1988, over 50 percent of the City's Juvenile Probation Department referrals involved Black youth and the Black youth population at Log Cabin Ranch during this same period was 85 percent.

3. It is anticipated that the Juvenile Probation Department will provide referrals for 80 percent of the youth participating in the proposed program. The Department reports that assignment to this program will be determined by the Juvenile Court based upon predetermined guidelines. The remaining 20 percent are intended to be community-based referrals.

Comments:

1. The amount of \$244,300 was placed on reserve by the Finance Committee pending submission by the Juvenile Court of the details regarding the specific consultants selected and their estimated hours, hourly rates and MBE/WBE/LBE allocations.

BOARD OF SUPERVISORS
BUDGET ANALYST

2. The Juvenile Court proposes to contract with the Bayview Hunter's Point Foundation (Foundation) in the amount of \$244,300 for the period between July 1, 1989 and June 30, 1990 for the culturally relevant program services. In addition, the Juvenile Court reports that the Ella Hill Hutch Community Center, San Francisco Senators and Youth Park will be subcontracting with the Foundation on this project. The Ella Hill Hutch Community Center will be allocated \$60,000 and will be responsible for specifically providing the mentoring portion of the program in the Western Addition. The San Francisco Senators and Youth Park are currently participating in the proposed program on a voluntary basis. Although no specific amount has been set aside for each of these two groups, a total of \$10,000 is proposed to be used for curriculum development, an area in which these two groups may participate. The \$60,000 and the \$10,000 allocations are included as part of the \$244,300.

3. The proposed budget is as follows:

Program Director (416 hrs @ \$13.94/hr)	\$5,800
Case Coordinator (2080 hrs @ \$10.82/hr)	22,500
Volunteer Coordinator (1560 hrs @ \$9.61/hr)	15,000
Youth Counselors (Two x 2081 hrs @ \$9.61/hr)	40,000
Receptionist/Secretary (520 hrs @ \$7.45/hr)	3,875
Parent Trainer (936 hrs @ \$9.93/hr)	<u>9,301</u>
Total Salaries	\$96,476
Fringe Benefits	<u>\$18,330</u>
Total Personnel Costs	\$114,806
Ella Hill Hutch	\$60,000
Curriculum Development	<u>10,000</u>
Total Subcontractual Costs	\$70,000
Office Supplies (\$300/month)	\$3,600
Postage (\$100/month)	1,200
Local Travel	1,469
Photocopying/Printing (\$130/month)	1,560
Phone Installation	300
Phone (\$125/month)	1,500
Rent & Utilities (1,000 sq. ft. @ \$1.25/sq. ft./month)	15,000
Liability Insurance	2,000
Office Furniture	<u>1,000</u>
Total Other Costs	\$27,629

Memo to Finance Committee
June 28, 1989

Total Direct Costs	\$212,435
Indirect Costs (15 Percent)	<u>31,865</u>
Total Costs	\$244,300

4. The Department reports that all of the contractors, including the subcontractors, are local minority non-profit corporations.

Recommendation: Approve the release of the reserve.

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Item 4 - File 102-88-38

Note: This item was continued by the Finance Committee at its meeting of June 7, 1989.

Department: Chief Administrative Office (CAO)

Proposed Action: Ordinance to amend the Annual Salary Ordinance for fiscal year 1988-89 to reflect the creation of seven new positions.

Description: 1. The details of the proposed Salary Ordinance amendment are as follows:

<u>Proposed No. of</u> <u>Action</u>	<u>Positions</u>	<u>Class and Title</u>	<u>Proposed</u> <u>Biweekly</u> <u>Salary</u>	<u>Proposed</u> <u>Annual</u> <u>Salary</u>
Create	1	1446 Secretary II	\$874-\$1,057	\$22,812-\$27,588
Create	2	5506 Project Manager III	2,684-2,684	70,052-70,052
Create	1	5508 Project Manager IV	3,108-3,108	81,119-81,119
Create	1	9765 Assistant to CAO VI	2,023-2,023	52,800-52,800
Create	1	9766 Assistant to CAO VII	2,264-2,264	59,091-59,091
Create	1	A557 Deputy Fiscal Officer, CAO	2,332-2,332	60,865-60,865

Except for the 1446 Secretary II position, the above new positions would not include Salary Step increases. The proposed addition of seven new positions would result in an increased annual salary of \$421,567 at the top steps.

2. The Board of Supervisors approved a resolution (File 209-89-1) which authorized the creation of a Waterfront Transportation Project Office under the CAO to coordinate the planning, financing, design and construction of a Waterfront Transportation Program. The Waterfront Transportation Program includes five major highway and transportation projects with three separate agencies to be responsible for their completion, as follows:

<u>Project</u>	<u>Agency</u> <u>Responsible</u>
• Embarcadero Parkway - Redevelopment of the Embarcadero as a landscaped boulevard from North Point on the north to approximately Fifth and King on the south. As part of this project, King Street is also to be redeveloped as a boulevard.	Department of Public Works

BOARD OF SUPERVISORS
BUDGET ANALYST

<u>Project</u>	<u>Agency Responsible</u>
• MUNI Metro Turnback - Subway extension of the MUNI Metro from the Embarcadero Station to a portal south of Howard Street in the median of the Embarcadero Parkway.	Public Utilities Commission
• MUNI Metro Extension - Surface extension of the MUNI Metro from the Turnback project south and west in the median of the Embarcadero Parkway and King Street Boulevard. Five platform stations are to be included.	Public Utilities Commission
• MUNI F Line - Extension of surface tracks from Market Street north along the Embarcadero Parkway to Jones Street in the Fisherman's Wharf area.	Public Utilities Commission
• I-280 Ramps - New off/on ramps linking the elevated I-280 structure with the (new) King Street Boulevard. Also includes the removal of the unused elevated I-280 structure.	CALTRANS

3. The program is expected to have a duration of at least five years. The Project Office would include a Project Manager under the CAO, who would be responsible for the overall implementation of the project and would include additional project management and support staff to assist in financing, scheduling of contracts, engineering and administration of the Program. The staff would be phased in on an as-needed basis. The maximum anticipated annual budget is as follows:

Salaries

<u>Position Number</u>	<u>Position Title</u>	<u>No. of Positions</u>	<u>Annual Cost</u>
5508	Project Manager IV	1	\$ 81,119
5506	Project Manager III	2	
		@ \$70,052	140,104
9765	Assistant to the CAO VI	1	52,800
A557	Deputy Fiscal Officer	1	60,865
9766	Assistant to the CAO VII (@ 30%)	1	17,727

BOARD OF SUPERVISORS
BUDGET ANALYST

<u>Position Number</u>	<u>Position Title</u>	<u>No. of Positions</u>	<u>Annual Cost</u>
1446	Secretary II	1	22,916
	<u>Fringe Benefits</u>	<u> </u>	<u>93,883</u>
	Subtotals	7	\$469,414
	<u>Data Word Processing Maintenance</u>		\$1,500
	<u>Other Contract Services</u>		
	Office Equipment Maintenance	\$1,000	
	Copy Machine	7,500	
	Temporary Secretary	8,736	
	Moving Expenses	<u>3,000</u>	20,236
	<u>Routine Travel</u>		2,000
	<u>Training</u>		2,500
	<u>Other Services</u>		
	Local Field Expense	\$4,000	
	Postage-Messengers	3,000	
	Subscription	1,000	
	Printing	5,000	
	Entertainment	500	
	Advertising	<u>3,500</u>	17,000
	<u>Telephone</u>		6,000
	<u>Materials & Supplies</u>		
	Offices Supplies	\$5,000	
	Data Processing Supplies	<u>2,500</u>	7,500
	<u>Rental of Property</u>		40,000
	<u>Equipment</u>		
	Furniture	\$15,000	
	Books	<u>1,000</u>	16,000
	<u>Data Processing Equipment</u>		15,000

BOARD OF SUPERVISORS
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<u>Service of Other Departments</u>	
City Attorney	\$50,000
Human Rights Commission	10,000
Reproduction	5,000
City Mail Services	<u>2,000</u> <u>67,000</u>
 TOTAL	 <u>\$664,150</u>

4. The seven positions, which would be created by this proposed ordinance, would be classified at a future meeting of the Civil Service Commission.

Comments:

1. The Mayor's Office and the CAO have recommended the creation of the Waterfront Project Office due to the number of agencies involved and the variety of funding sources to be used in the projects. In addition to the Public Utilities Commission and the Department of Public Works, the Port of San Francisco, the Department of City Planning and the San Francisco Redevelopment Agency have important roles in insuring the success of the Waterfront Transportation Project. The centralized planning, control and accountability of the project in the Waterfront Transportation Project Office by the CAO is intended to insure that it is implemented efficiently and expeditiously.

2. The total cost of the highway and transportation improvements, which are part of the proposed Waterfront Transportation Program, are expected to exceed \$200 million and are to be funded from a diversity of federal, state, local, and private sources, with the largest share from the Urban Mass Transportation Administration and I-280 Interstate Transfer funds. The total cost of operation of the Waterfront Transportation Project Office, in the amount of \$664,150 as shown above, is expected to be fully funded from State and Federal grants. At the request of the Finance Committee, additional information was obtained from the CAO's Office as to how the Waterfront Transportation Project Office would be funded. The additional information is included as an attachment to this report.

3. The authorization to apply for and accept grant funds for the individual capital projects of the Waterfront Transportation Program and for the operation of the Waterfront Transportation Project Office would continue to require approval by resolution of the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST

4. Mr. Dave Fong, of the Controller's Office, concurs that since positions under this program are expected to be employed by the City for over six months, such positions should be enumerated in the Annual Salary Ordinance as is being proposed under this ordinance.

5. The proposed ordinance would amend the fiscal year 1988-89 Annual Salary Ordinance which will expire on June 30, 1989. However, the proposed ordinance could not be finally passed by the Board of Supervisors until after June 30, 1989. Ms. Anne Branston, of the CAO's Office, reports that the City Attorney is in the process of preparing appropriate amendments to the proposed ordinance to resolve this situation.

Recommendation: Approve the proposed ordinance and amendments as may be submitted by the City Attorney based on the prior policy decision of the Board of Supervisors to authorize the creation of the Waterfront Transportation Project Office.



OFFICE OF

CHIEF ADMINISTRATIVE OFFICER

RUDOLF NOTHENBERG
CHIEF ADMINISTRATIVE OFFICER

289 CITY HALL
SAN FRANCISCO
CALIFORNIA 94102
415/554-4851

DATE: June 5, 1989
TO: Bill Courtright
FROM: Ann Branston *[Signature]*
RE: Waterfront Project Office

Here is a brief explanation of how the Waterfront Project Office will be funded.

The Board of Supervisors has previously authorized the Public Utilities Commission and the Department of Public Works to apply for, accept, and expend grant funds to initiate planning and design work on the Muni Metro Turnback, the Muni Metro Extension and the Embarcadero Parkway. These grants include \$7.7 million in Cal Trans State Guideway funds, \$12 million from the Urban Mass Transportation Administration (UMTA), \$15 million from B.A.R.T. and \$1.6 million from the Federal Highway Administration (FHWA). Each of these grants included funding allocations for project management and administrative expenses, a portion of which would be transferred to the CAO's office to support the operation of the Waterfront Project Office. As additional grants are authorized and received in subsequent years, the Project Office would continue to be funded in this manner.

Please let me know if I can answer any additional questions.

#1967Y

Item 5 - File 151-89-1

Note: This item was continued from the June 7, 1989 Finance Committee Meeting at the request of the San Francisco Redevelopment Agency because their Fy 1989-90 budget was not yet approved by the Board of Supervisors.

1. The proposed resolution would find that a Pier 36 Ship Repair Facility is of benefit to the Rincon Point-South Beach Redevelopment Project Area, that there is no other reasonable means of financing this Facility and consenting to such financing.

2. In 1984, the Board of Supervisors approved an Option to Lease Real Property (Ordinance No. 389-84) between the Port of San Francisco and the San Francisco Redevelopment Agency (SFRA). This agreement included the provision that the Port would lease Pier 40 to the SFRA for the development of Pier 40, with the condition that the SFRA would pay the Port the costs of relocating an existing ship repair facility tenant from Pier 40 to another location and would pay for the cost of replacing the ship repair facility presently on Pier 40. The Port proposes relocating the ship repair tenant from Pier 40 to Pier 36 and has requested that the SFRA construct a replacement ship repair facility on Pier 36, which is the subject of the proposed resolution. The proposed Pier 36 Ship Repair Facility would be owned by the City and County of San Francisco, acting through the San Francisco Port Commission.

3. In 1984, the Board of Supervisors also approved a financing plan for the South Beach Harbor and Park Complex and approved of the issuance of up to \$45 million of bonds by the SFRA (Resolution No. 703-84), of which a portion of these bonds were intended to finance the cost of the proposed Pier 36 Facility. In 1986, the SFRA issued \$23.9 million of bonds (1986 Issue A) for the South Beach Harbor Project. A portion of the proceeds of these bonds was intended to be used to pay for the construction of a Ship Repair Facility on Pier 36. These bonds have been secured by tax increment funds and operating revenues from the South Beach Harbor and the Pier 40 Project.

4. The necessary bonds have therefore already been issued and the required tax increment revenues have already been pledged to be used for the repayment of the bonds. The SFRA is now proposing to commit a portion of the bond proceeds to fund the construction of the Pier 36 Facility. According to the California Health and Safety Code Section 33679, before the SFRA can commit to use tax increment funds to pay for the construction of the Pier 36 Ship Repair Facility, or commit to pay for all or a part of the costs of construction of any publicly owned facility, the Board of Supervisors is required to hold a public hearing and approve of the matter.

5. According to the SFRA, the Pier 36 Facility is estimated to require \$6.3 million of tax increment funds, including debt repayments, over a 30-year period. This is in relation to the total South Beach Harbor and Park Complex, which is projected to generate approximately \$23.7 million of tax increment revenues over a 30-year period. The cost of the Pier 36 Facility is therefore approximately 27 percent of the total amount of funds available.

6. According to a letter dated May 9, 1989 from Mr. Michael Huerta the Port's Executive Director, the Port advises that there is no other reasonable means of financing the proposed improvements on Pier 36. This letter also states that the SFRA is required to fulfill this obligation according to paragraph 3(c) concerning Relocation and Replacement Costs in the 1984 Option Agreement between the Port and the SFRA.

Comments

The SFRA reports that a total of \$2,139,000 is included in the SFRA's 1989-90 budget for the construction of the Pier 36 Ship Repair Facility. According to the SFRA, the design, engineering and construction of the Pier 36 Facility will be completed during fiscal year 1989-90. The SFRA's 1989-90 budget was approved by the Finance Committee on June 16, 1989 and was approved by the full Board of Supervisors on June 26, 1989.

Recommendation

Given the Board of Supervisors' prior approval of the Option to Lease Real Property between the Port and the SFRA, the SFRA's financing plan for the South Beach Harbor and Park Complex and the related bonds to finance the proposed Pier 36 Ship Repair Facility, approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Items 6 and 7 - Files 84-89-1 and 97-89-28

1. The proposed resolution (File 84-89-1) would authorize the acquisition of the Mission Armory, authorize the expenditure of \$1.4 million from the San Francisco Urban Development Action Grant (UDAG) Revolving Fund to purchase this property and adopt findings pursuant to City Planning Code Section 101.1. The proposed ordinance (File 97-89-28) would amend the City's Administrative Code to authorize expenditures from the UDAG Revolving Fund to acquire property for such eligible activities.

2. The proposed resolution (File 84-89-1) can only be approved if the proposed ordinance (File 84-89-28) is adopted. That is because the proposed resolution would authorize the acquisition of the Mission Armory with UDAG Revolving Fund monies. The City's Administrative Code does not presently permit use of the UDAG Revolving Fund to acquire property.

3. Therefore, the proposed ordinance (File 97-89-28) would amend Section 10.117-59 of Chapter 10 of the San Francisco Administrative Code in order to extend the use of UDAG Revolving Fund monies to acquire real or personal property and to maintain such property for use in connection with activities that are eligible under Title I of the Housing and Community Development Act of 1974. The Administrative Code presently restricts use of UDAG Revolving Fund monies to provide for economic development loans and/or grants for activities eligible under Title I of the Housing and Community Development Act of 1974 and to provide for expenses incurred in the administration of the UDAG Revolving Fund.

4. Authorization for any loans, grants and the proposed property acquisition and maintenance from the UDAG Revolving Fund must be approved by the Board of Supervisors. Ongoing administration and the proposed maintenance expenses would be appropriated through the annual budget process or through supplemental appropriations. The Mayor's Office of Housing and Economic Development is responsible for administering the UDAG Revolving Fund program and, as such, is responsible for annually reporting the current status of the UDAG Revolving Fund, the amounts approved for disbursement, the number and types of projects assisted and any recommendations to improve the effectiveness of the UDAG Revolving Fund to the Board of Supervisors. The Mayor's Office of Business and Economic Development reports that there is currently approximately \$1.7 million in the Fund, including the \$1.4 million proposed for the purchase of the Armory and that no other projects have been funded from the UDAG Revolving Fund.

BOARD OF SUPERVISORS
BUDGET ANALYST

5. The UDAG Revolving Fund was established by the Board of Supervisors (Ordinance No. 461-86) for the purpose of receiving proceeds relating to UDAG loan repayments and for providing economic development loans and/or grants for eligible projects. Title I of the Housing and Community Development Act of 1974 limits activities to economic development functions. Ms. Susan Nakata of the Mayor's Office of Housing and Economic Development reports that the proposed Mission Armory project has been approved as an eligible Title I economic development activity.

6. The proposed resolution (File 84-89-1) would not only authorize the acquisition of the Mission Armory with UDAG Revolving Fund monies, but would also specifically authorize the expenditure of \$1.4 million from the Fund to acquire the property. The Board of Supervisors on October 24, 1986 adopted as City policy (Resolution No. 896-86) that \$1.6 million of the UDAG loan repayment derived from the proceeds of the sale of the Hamms Brewery be used for the rehabilitation of the Mission Armory into a film production facility. To date, the Board of Supervisors has approved \$200,000 of UDAG Revolving Fund monies to the Mission Economic Development Corporation, the fiscal agent for the Mission Armory Foundation (Resolution No. 362-87) for architectural and engineering fees, an environmental evaluation and project management services. The remaining balance of \$1.4 million (\$1.6 million less \$200,000), is the subject of the proposed resolution.

7. In addition to the \$1.6 million of UDAG Funds pledged to the Mission Armory, an additional \$65,000 of UDAG Revolving Fund monies were approved by the Board of Supervisors (Resolution No. 1121-86) for technical and administrative expenses of the Mission Armory Foundation paid through the Economic Development Association, as the fiscal agent. The Mission Armory Foundation (Foundation) is a nonprofit corporation consisting of the following 13 nonprofit organizations, which was formed to specifically participate in the development of the Mission Armory:

- Arriba Juntos
- Centro Latino de San Francisco
- Horizons Unlimited
- Mayor's Mission Task Force
- Mission Community Coalition
- Mission Community Legal Defense
- Mission Economic Development Association
- Mission Education Project
- Mission Hiring Hall
- Mission Housing Development Corporation
- Mission Language and Vocational School
- Mission Reading Clinic
- North Mission Association.

BOARD OF SUPERVISORS
BUDGET ANALYST

8. It should also be noted that the Board of Supervisors previously authorized (Resolution No. 1118-87) a \$1.4 million grant from the UDAG Fund to the Mission Armory Foundation for the Foundation's purchase of the Mission Armory. However, this authorization (Resolution No. 1118-87) stipulated the following conditions:

- The Mission Armory Foundation obtain title to the Armory property;
- The City receive a first lien Deed of Trust from the Mission Armory Foundation to secure the Foundation's obligations pursuant to the grant agreement;
- A ground lease be executed between the Armory Development Corporation (Corporation), the lessee, and the Foundation, the lessor, at the same time of the transfer of the Armory property; and
- The ground lease be in acceptable form to the Executive Director of the Mayor's Office of Housing, Economic Development and Small Business, in consultation with the City Attorney.

To date, the Foundation and the Corporation have not been able to agree upon the terms of the ground lease. If the proposed resolution is approved (File 84-89-1), it would rescind the above cited Resolution No. 1118-87.

9. The proposed resolution (File 84-89-1) would also adopt findings of consistency with the City's Master Plan and consistency with the eight Priority Policies of Code Section 101.1 (Proposition M), as reported by the City Planning Department and included in its June 2, 1989 letter. The Board of Supervisors has already adopted the final negative declaration for reclassification of the Mission Armory project and findings that the proposed project would have no significant impacts on the environment.

Comments

1. The State currently owns the Mission Armory. According to Ms. Nakata of the Mayor's Office of Business and Economic Development, the proposed arrangements are necessary because the State has established a final deadline of July 21, 1989 to exercise the option to purchase the Armory.

2. Under the existing arrangements, E.E. Gregg Snazelle has an option to purchase the Mission Armory property and improvements from the State of California for \$1.5 million. E.E. Gregg Snazelle will assign his right to purchase the Armory to the Armory Development Corporation. The Armory Development Corporation currently includes E.E. Gregg Snazelle of Snazelle Film and Tapes and Stan Mattison of Mattison and Shidler, Developers. The Armory Development Corporation will develop the Mission Armory for use as a motion picture production facility with sound stage editing facilities, a commissary, recording studio, accessory support facilities and underground parking. The Armory Development Corporation has also entered into a Letter of Understanding with the non-profit Mission Armory Foundation which provides for the Foundation's participation in the ownership, development and receipt of the proceeds from the development of the Armory. Under this agreement, the Foundation would contribute \$1.4 million toward the purchase price and would acquire title to the land. The Corporation would contribute \$100,000 toward the purchase price, would be responsible for the complete renovation of the facility and would own the building and the improvements. The renovation of the facility is estimated to cost between \$7 and \$12 million.

3. As discussed above, the Board of Supervisors has already approved the \$1.4 million UDAG Fund grant to the Foundation for their purchase of the Armory. As this is a grant, the Foundation would not be required to repay any of the \$1.4 million to the UDAG Fund. The Mayor's Office reports that this grant to the Foundation was approved as a means of redeveloping the Mission Armory, providing an incentive to the movie and video industry in San Francisco and creating jobs and economic development in the Mission District of the City, while simultaneously enabling the non-profit groups to act as a development partner.

4. Under the proposed resolution, instead of the Foundation, the City would directly contribute the \$1.4 million portion of the purchase price to the State. The Corporation must still contribute \$100,000 toward the purchase price and would pay all title insurance premiums and escrow fees. The City's Director of Property would initially retain title to the land and the buildings. The Mayor's Office of Business and Economic Development states that once the Foundation and the Corporation agree upon the terms of the ground lease and there is evidence of financing for the project, the title to the land would be transferred to the Foundation and the title to the building will be transferred to the Corporation. The Mayor's Office reports that the transfer of title should occur within six months after the purchase of the property.

5. However, before the City could transfer the title, the Mayor and the Board of Supervisors must approve a disposition ordinance which would permit the transfer to occur. According to Ms. Nakata, the conditions that are contained in Resolution No. 1118-87, that would be rescinded with the proposed resolution, would be included in any future disposition ordinance. The Budget Analyst will analyze the disposition ordinance prior to this property being transferred to the Foundation and the Armory Development Corporation in order to assure that the City retains adequate assurance that the Armory will be developed, maintained and continued to be used as the legislation originally intended.

6. Ms. Nakata of the Mayor's Office of Business and Economic Development reports that there will be two technical amendments to the proposed resolution that will be presented to the Finance Committee.

Recommendations

1. Based on the Board of Supervisors prior approvals on this matter, approve the resolution (File 84-89-1) to authorize the \$1.4 million UDAG Fund expenditure to purchase the Mission Armory and to adopt findings pursuant to City Planning Code Section 101.1.

2. Approve the proposed ordinance (File 97-89-28).

Items 8 and 9 - Files 168-89-5 and 168-89-5.1

Departments: Real Estate
Recreation and Park Department

Proposed Actions:

1. The proposed motion (File 168-89-5) would declare the intention of the Board of Supervisors to hold a public hearing to consider adoption of a resolution of necessity in connection with the acquisition of Lots 3 through 6, 9, 11 and 13 in Assessor's Block 4629A by eminent domain for the City's Open Space Program.
2. The proposed resolution (File 168-89-5.1) would authorize the acquisition of Lots 3 through 6, 9, 11 and 13 in Assessor's Block 4629A by eminent domain for use as open space.

Location: The subject property is bounded by Hunters Point Boulevard and Galvez and Hudson Avenues near the India Basin shoreline.

Annual Property Taxes Assessed: \$1,859 on an assessed valuation of \$170,620.

Amount: \$606,000

Source of Funds: Open Space and Park Renovation Fund

Description: The subject property contains approximately 53,870 square feet of undeveloped land currently zoned M-1, Light Industrial. The land would be used by the Recreation and Park Department for the development of a shoreline park along India Basin.

The shoreline park is included in the Recreation and Open Space element of the City's Master Plan. Funds have been allocated in the Open Space and Park Renovation Fund budget in each fiscal year since 1985-86, providing \$2.4 million for the acquisition and development of the shoreline park at India Basin. The \$606,000 that is the subject of the proposed resolution, would be used to purchase the specific parcels as proposed and is included as part of the \$2.4 million previously budgeted for the acquisition and development of the shoreline park at India Basin.

Comments:

1. Should the Finance Committee wish to approve the acquisition of the property by eminent domain, which is the subject of this legislation, the proposed motion (File

BOARD OF SUPERVISORS
BUDGET ANALYST

168-89-5) should be amended by the Finance Committee to include an appropriate date for the full Board of Supervisors to hold the required public hearing.

2. Section 1245.235 of the Code of Civil Procedure requires that a public hearing be held by the full Board of Supervisors, to hear testimony and to make findings by a two-thirds vote that there is or is not a public interest and necessity for the City to acquire property through eminent domain. If the finding by the full Board of Supervisors at a public hearing is in favor of acquiring the property, the other proposed resolution, (File 168-89-5.1), authorizing acquisition of the parcel through eminent domain, would then be considered by the Board of Supervisors.

Recommendation:

Acquisition of property for open space purposes is a policy matter for the Board of Supervisors.

Item 10 - File 101-88-57.1

Departments: Chief Administrative Officer (CAO)
Department of City Planning

Proposed Action: Release of reserved funds previously approved for the City's Seismic Retrofit Program Capital Improvement Project. The funds were reserved pending submission of details regarding the contractor's estimated hours, hourly rates and MBE/WBE allocations.

Amount: \$120,000

Source of Funds: General Fund Reserve

Description:

1. On January 3, 1989, the Board of Supervisors approved the CAO's \$400,000 Seismic Retrofit Program Capital Improvement Project for FY 1988-89 (File 101-88-57) and placed on reserve \$120,000 for contractual services pending submission of details regarding the contractor's estimated hours, hourly rates and MBE/WBE/LBE allocation. The contractual services were for City Planning Department consultants that will develop and analyze prototypes of unreinforced masonry buildings in the City's preparation of mitigation programs to address these structures' seismic vulnerability.
2. The Seismic Retrofit Program is being prepared in accordance with SB 547, passed in 1986, which requires that local jurisdictions prepare an inventory of unreinforced masonry buildings and prepare a seismic safety mitigation program for these structures by December 31, 1989.
3. The City Planning Department has recently selected the project contractors and reports the following information:

Contractors

	<u>Business Type</u>	<u>% Allocation</u>
Rutherford and Chekene		
Prime Contractor	LBE	59.0%
The Reitherman Company		
Technical Analysis	LBE	18.0%
Melvin Breen and Associates		
Structural Engineer	LBE	12.2%
Don Todd and Associates		
Cost Estimator	LBE/MBE	<u>10.8%</u>
		100.0%

BOARD OF SUPERVISORS
BUDGET ANALYST

Estimated Hours & Hourly Rates

	<u>Hourly Rate</u>	<u>Estimated Hours</u>	<u>Total</u>
Project Manager	\$85/hr.	240 hrs.	\$20,400
Engineer/Back up			
Contract	45/hr.	480 hrs.	21,600
Computer Analyst	85/hr.	160 hrs.	13,600
Program Development/			
Technical Writer	75/hr.	240 hrs.	18,000
Program Development/			
Historical Preservation	\$85/hr.	144 hrs.	\$12,240
Cost Estimator	75/hr.	144 hrs.	10,800
Support Staff	42/hr.	80 hrs.	<u>3,360</u>
Total			\$100,000

Comments:

1. The Human Rights Commission has indicated its approval of the consultant team in its letter to City Planning dated June 8, 1989 (see attached letter).

2. According to Mr. Paul Deutsch of the Planning Department, the actual contract amount is \$100,000, which is \$20,000 less than the reserved amount of \$120,000. Mr. Deutsch requests that the entire reserved amount be released to allow for \$10,000 for project contingencies and \$10,000 which may be required for additional costs for computer time. Mr. Deutsch indicates that contingencies would be required due to the unique nature of the studies and the uncertainties as to whether additional technical studies would be required. Mr. Deutsch also indicates that additional computer time may be involved in order to perform additional studies in response to public testimony regarding the mitigation measures.

The Budget Analyst believes a \$10,000 contingency fund would be appropriate for this type of project, however, does not believe there is sufficient justification for the release of the additional \$10,000 for possible computer time until more specific information is provided.

Recommendation:

Approve the release of \$110,000 of the \$120,000 funds on reserve. Continue to reserve \$10,000.

BOARD OF SUPERVISORS
BUDGET ANALYST

City and County of San Francisco

Human Rights Commission

Office of Minority/Women Business Enterprise

Office of Contract Compliance

Office of Dispute Resolution



June 8, 1989

Mr. Paul Deutsch
Project Manager
Department of City Planning
450 McAllister Street
San Francisco, CA 94102

Subject: Analysis of the rating preference applications and ranking for
the Technical Services for Unreinforced Masonry Building Studies.

Dear Mr. Deutsch:

We are pleased to report our analysis of the scoring and application
of the preference points to eligible MBE/WBE/LBE firms in accordance with
Chapter 12D of the San Francisco Administrative Code.

The results of HRC's application of the preference points and
consequent revised ranking of the interviewed firms are as follows:

<u>Revised Ranking</u>	<u>Name of Firm</u>	<u>Raw Score</u>	<u>Preference Points</u>	<u>Revised Score</u>
1	Rutherford & Chekene	89.3	4.5	93.8
2	SOHA	80.1	8.9	89
3	EQE	81	4.5	85.5
4	D.M.T. Way Assoc.	58.5	8.9	67.4
5	Hratch Konyoumdjian	59	4.5	63.5
6	Wilshire Arts, Inc.	37	(*8.9)	(*46)

*not yet verified.

As is evident from the above analysis, the ranking changed after
applying the preference points. After applying the preferences, Rutherford
& Chekene remained the highest ranked consultant; SOHA was moved up to the
second ranked firm, EQE moved down to the third ranked firm, D.M.T. Way
Assoc. became the fourth ranked firm, Hratch Konyoumdjian became the fifth

ranked firm, and Wilshire Arts remains the lowest ranked firm. Please note that the preference points for Wilshire Arts have not yet been verified, however, we have determined it is not necessary to delay this report since credit for the 10% preference to Wilshire Arts would not effect the ranking.

In conclusion, Rutherford and Chekene has complied with the affirmative action requirements, and is therefore eligible for consideration of award.

Please note that under the MBE/WBE/LBE Ordinance, the awarding agency is required to provide the Director of the Human Rights Commission with a written explanation if it plans to award a contract to a consultant other than the highest ranked eligible consultant if the highest ranked eligible consultant is an MBE/WBE.

Thank you for your cooperation in this matter. Please do not hesitate to call if you have questions or if I can be of any further assistance.

Sincerely,


Bayard P. Fong
Contract Compliance Representative

BPF:ad

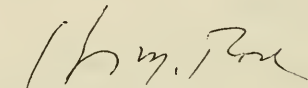
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cc: J. Hutton, City Planning
A. Ghosh, City Planning

Memo to Finance Committee
June 28, 1989

Item 11 through 14 - Files Various

The proposed ordinance and resolutions authorizing settlement of litigation are legal matters under the responsibility of the City Attorney's Office. The Budget Analyst does not normally review and report on such items.



Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
President Britt
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

BOARD OF SUPERVISORS
BUDGET ANALYST

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[Actions Taken]
RECESSED CALENDAR
DEPARTMENTAL BUDGET REVIEW HEARINGS
FINANCE COMMITTEE

Board of Supervisors
City and County of San Francisco

DEPT. OF ENVIRONMENT & PLANNING

JUN 30 1989

SAN FRANCISCO
PUBLIC LIBRARY

WEDNESDAY, JUNE 28, 1989 - 2:00 P.M. ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

CLERK: GREG HOBSON

(Note: File from Recessed Meeting June 23, 1989.)

1. File 100-89-1. Hearing to consider the Annual Budget of the City and County of San Francisco for Fiscal Year 1989-90. (Mayor)

99 Capital Projects

"Catch-Up Session"

Police Dept./Senior Escort

ACTION: DEPARTMENTAL BUDGET REVIEW HELD. AMENDMENTS WERE MADE TO BUDGETS OF DEPARTMENTS AS STATED IN MAYOR'S LETTER DATED JUNE 28, 1989; ADOPTED (see file for details). MAYOR'S OFFICE CLERICAL ERRORS FOR VARIOUS DEPARTMENTS AS SUBMITTED IN MAYOR'S LETTER DATED JUNE 28, 1989; ADOPTED (see file for details). ANNUAL BUDGET FOR 1989/90 AMENDED; RECOMMENDED AS AMENDED. TO BOARD FOR MEETING JULY 10, 1989.

RECESSED CALENDAR
MEETING OF
FINANCE COMMITTEE

Board of Supervisors
City and County of San Francisco

WEDNESDAY, JUNE 28, 1989 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

CLERK: GREG HOBSON

(Note: File from Recessed Meeting June 23, 1989.)

1. File 124-89-13. [Parking Revenue] Ordinance amending Section 213 of Article 12 of the San Francisco Traffic Code to extend for one year the period during which net revenues from Sutter-Stockton Garage are to be deposited in the Off-Street Parking Fund; to allow the use of parking revenues for expenses of the Department of Parking and Traffic and the Parking and Traffic Commission; and to authorize the Parking and Traffic Commission to recommend the purposes for which monies in the Off-Street Parking Fund shall be set aside. (Mayor)

ACTION: TABLED.

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*Actions
Taken*

CALENDAR
MEETING OF
FINANCE COMMITTEE

DOCUMENTS DEPT.
JUL 7 1989
SAN FRANCISCO
PUBLIC LIBRARY

Board of Supervisors
City and County of San Francisco

WEDNESDAY JULY 5, 1989 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

ABSENT: SUPERVISOR WALKER

CLERK: GREG HOBSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll-call vote of the committee. There will be no separate discussion of these items unless a member of the committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:

- a) File 25-89-22. [Contracting Out City Services] Resolution concurring with the Controller's certification that victim witness claims specialist services can be practically performed for the District Attorney's Victim Witness Assistance Program by private contractor for a lower cost than similar work services performed by City and County employees. (District Attorney)
- b) File 25-89-23. [Contracting Out City Services] Resolution concurring with the Controller's certification that assistance to certain victims of crime and education in community anti-street violence services can be practically performed for the District Attorney's Victim Witness Assistance Program by private contractor for a lower cost than similar work services performed by City and County employees. (District Attorney)

ACTION: RECOMMENDED.

REGULAR CALENDAR

- 2. File 12-89-24. [Alcohol Tax] Resolution supporting an increase in the Alcoholic Beverage Tax. (Supervisor Kennedy)

ACTION: TABLED.

- 3. File 7-89-5. [Public Transportation] Resolution making a finding concerning proposed revisions of the Municipal Railway Fare Schedule. (Public Utilities Commission)

ACTION: RECOMMENDED.

- 4. File 7-89-5.1. [Public Transportation] Resolution approving a revised Fare Schedule for the San Francisco Municipal Railway. (Public Utilities Commission)

ACTION: AMENDED. RECOMMENDED AS AMENDED. Add a further resolved clause to read: "That the Public Utilities Commission conducted a passenger survey or other analyses annually and that the rates, charges or fares be adjusted accordingly."

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Actions
Taken

CALENDAR
MEETING OF
FINANCE COMMITTEE

DOCUMENTS DEPT.

JUL 17 1989

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Board of Supervisors
City and County of San Francisco

WEDNESDAY, JULY 12, 1989 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

ABSENT: SUPERVISOR WARD

CLERK: GREG HOBSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll-call vote of the committee. There will be no separate discussion of these items unless a member of the committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
 - a) File 62-89-3. [Settlement Agreement] Ordinance approving the Lake Merced Restaurant and Bar settlement agreement and release between the City and County of San Francisco and Mirage Investments, Inc. (Recreation/Park Dept.)
 - b) File 62-89-4. [Lease Amendment] Ordinance approving the Lake Merced Boating and Fishing Lease amendment between the City and County of San Francisco and Urban Park Concessionaires. (Recreation/Park Dept.)
 - c) File 62-89-5. [Lease Amendment] Ordinance approving the Lake Merced Restaurant and Bar Lease amendment between the City and County of San Francisco and Mirage Investments, Inc. (Recreation/Park Dept.)
 - d) File 101-88-159.1. To consider release of reserve funds in the amount of \$173,379 for the Department of Public Health, residential facility for crack-addicted pregnant women. (Supervisor Walker)

ACTION: ENTIRE CONSENT CALENDAR REMOVED.

- a) RECOMMENDED. b) RECOMMENDED. c) RECOMMENDED.
- d) RELEASE OF \$170,504 APPROVED; FILED.

REGULAR CALENDAR

2. File 101-89-2. Consideration of the Annual Appropriation Ordinance for fiscal year 1989-90. (Mayor)

ACTION: RECOMMENDED.

3. File 102-89-2. Consideration of the Annual Salary Ordinance for fiscal year 1989-90. (Civil Service Commission)

ACTION: RECOMMENDED.

4. File 60-89-2. [Special Election] Ordinance calling and providing for a special election to be held in the City and County of San Francisco on Tuesday, November 7, 1989, for the purpose of submitting to the voters of the City and County of San Francisco a proposition to incur the following bonded debts of the City and County for the acquisition, construction or completion by the City and County of San Francisco of the following municipal improvements, to wit: public safety improvements to buildings owned by the City and County of San Francisco, including earthquake hazards reduction, asbestos abatement, providing access for the disabled, and assessment programs for earthquake safety, asbestos removal, and access for the disabled, all related to public safety to buildings owned by the City and County of San Francisco, including the acquisition, construction and reconstruction necessary or convenient to various buildings owned by the City and County of San Francisco; finding that the estimated cost to the City and County of San Francisco of said municipal improvements is and will be too great to be paid out of the ordinary annual income and revenue of the City and County of San Francisco and will require expenditures greater than the amounts allowed therefor by the annual tax levy; reciting the estimated costs of such municipal improvements; fixing the date of the election and the manner of holding such election and the procedure for voting for or against the propositions; fixing the maximum rate of interest on said bonds and providing for the levy and collection of taxes to pay both principal and interest thereof; prescribing notice to be given of such election; consolidating the special election with the general election; and providing that the election precincts, voting places and officers for election shall be the same as for such general election. (Supervisor Walker)

ACTION: RECOMMENDED.

5. File 209-89-3. [Ballot Measure] Ordinance ordering submission of an ordinance at the November 7, 1989, election by members of the Board of Supervisors, providing for the creation of the San Francisco County Transportation Authority, for the imposition of a one-half of one percent Transactions and Use Tax and for other purposes. (Supervisor Britt)

ACTION: AMENDMENT OF THE WHOLE BEARING NEW TITLE PRESENTED IN COMMITTEE BY CITY ATTORNEY. ADOPTED. TO BOARD "WITHOUT RECOMMENDATION." NEW TITLE: "Ordering submission of an ordinance by the Board of Supervisors calling and providing for a special election to be held on November 7, 1989 to be consolidated with the general election for the purpose of submitting to the voters an ordinance adding Article 14 to Part III of the Municipal Code of the City and County of San Francisco providing for the creation of the San Francisco County Transportation Authority, for the imposition of a one-half of one percent Transactions and Use Tax and for other purposes."

6. File 106-89-4. To consider the submission of a plan from the Civil Service Commission regarding examination and classification functions. (Supervisor Walker)

ACTION: HEARING HELD; CONTINUED TO AUGUST 9, 1989, MEETING.

7. File 250-89-1. To consider the City's Workers' Compensation system. (Supervisor Walker)

ACTION: CONTINUED TO JULY 19, 1989, MEETING.

8. File 97-89-31. To consider policy setting, administration and budgeting of the Narcotics Forfeiture Seizure Fund. (Supervisor Walker)

ACTION: HEARING HELD; CONTINUED TO AUGUST 9, 1989, MEETING.

CLOSED SESSION

9. File 45-89-29. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Sydney Gabriel against the City and County of San Francisco for \$7,250. (City Attorney) (Municipal Court No. 923-512)

ACTION: RECOMMENDED.

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OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST *Recommendations*

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July 12, 1989

TO: Finance Committee
FROM: Budget Analyst
SUBJECT: July 12, 1989 Finance Committee Meeting

Items 1a, 1b and 1c - Files 62-89-3, 62-89-4 and 62-89-5

Department: Recreation and Park Department (RPD)

Items: File 62-89-3 is a proposed ordinance approving the Lake Merced Restaurant and Bar settlement agreement and release between the City and County of San Francisco and Mirage Investments, Inc., operators of the Lake Merced Restaurant and Bar as described in the lease amendment below (File 62-89-5).

File 62-89-4 is a proposed ordinance approving the Lake Merced Boating and Fishing lease amendment between the City and County of San Francisco and Urban Park Concessionaires, operators of the Lake Merced boating and fishing concession.

File 62-89-5 is a proposed ordinance approving the Lake Merced Restaurant and Bar lease amendment between the City and County of San Francisco and Mirage Investments, Inc.

Description:

1. In July of 1988, Mirage Investments, Inc., who is leasing and operating the City's Lake Merced Restaurant and Bar facilities, filed a lawsuit against the City and County of San Francisco. The claims of the lawsuit involved the existing physical conditions of the facilities. Mirage Investments and the City have since reached a settlement. The proposed ordinance (File 62-89-3) would approve the settlement agreement, recommended by the City Attorney, which includes the following provisions:

Parking - An existing parking lot (Parking Lot A) adjacent to the Restaurant would be included in the Mirage Investments leasehold for its exclusive and proprietary use. The City would install a fence around Parking Lot A at an estimated cost of \$4,000*, and pave a second Parking Lot B at an estimated cost of \$27,778*. Mirage Investments would be responsible for the maintenance of Parking Lot A. The City would continue to maintain Parking Lot B.

Lighting - The City would install three new street lights around the Restaurant and repair and maintain the existing lights in the area, at an estimated cost of \$28,689*.

Rent Credits for Repairs - The City would provide rent credits of up to \$56,000* for repairs to certain major mechanical systems (such as plumbing) in the Restaurant premises. The RPD and Department of Public Works would pre-approve the repairs to be performed.

Audit - Mirage Investments would pay \$6,200 in audit costs of the \$11,747 payment recommended by the Controller, who conducted an audit of Mirage Investments' Lake Merced operations during the period from June, 1987 to February, 1988.

Other - Mirage Investments would also pay back-rent and related interest costs of \$15,126 to the City which is being withheld pending the outcome of this legal action. The settlement agreement also contains clauses regarding retroactive application of late payment penalties, and Mirage Investment's exclusive right to provide mobile catering services to the public in the Lake Merced area.

Release - Mirage Investments agrees to dismiss the pending lawsuit.

* Total of \$116,467.

According to Ms. Robin Burgstahler of RPD, the parking and lighting costs would be funded by the RPD's 1989-90 operating budget and would not require a supplemental appropriation.

2. The proposed ordinance approving the Lake Merced Restaurant and Bar lease amendment (File 62-89-5) would incorporate the provisions of the settlement agreement into the existing lease agreement between Mirage Investments and the City for the Lake Merced Restaurant and Bar concession. In addition, as part of the settlement negotiations with Mirage Investments, the proposed lease amendment would lower the rent under certain conditions. Under the current lease, Mirage Investments pays the Recreation and Park Department a minimum monthly rent or a percentage of gross revenues, whichever is greater. Under the proposed lease amendment, the minimum and percentage rent would be adjusted as follows:

		<u>Existing Lease Provisions</u>	<u>Proposed Lease Provisions</u>
Year 1	Minimum Rent	\$4,000/mo.	\$4,000/mo.
	Percentage	6%	6%
Year 2	Minimum Rent	\$6,000/mo.	\$6,000/mo.
	Percentage	7%	7%
Years 3-5	Minimum Rent	\$6,000/mo.	\$6,000/mo.
	Percentage	8%	7% of gross revenues up to \$1,000,000; 8% in excess of \$1,000,000 annually
Years 6-10	Minimum Rent	\$7,000/mo.	\$7,000/mo. from April through December, and \$6,000/mo. from January through March.
Years 6-10	Percentage Rent	8%	7% of gross revenues up to \$1,000,000; 8% in excess of \$1,000,000 annually.

According to Mr. Ernie Prindle of RPD, the proposed Mirage Investment lease amendment would reduce the

1989 rent to RPD by approximately \$5,040, from \$78,650 received in 1988 to a projected rent of \$73,610 under the proposed lease amendment.

3. The proposed ordinance (File 62-89-4) would approve the Lake Merced boating and fishing lease amendment between the City and Urban Park Concessionaires. The proposed lease amendment would allow for reduced rents when the Lake Merced fishery experiences poor conditions due to environmental circumstances, such as predation by migratory birds, low water level and undesirable water quality, effective January 1, 1989. The proposed lease amendment would provide a review process by which RPD would determine the validity of the tenants claims of poor conditions and would provide that the rent would return to the original rent schedule once the environmental conditions at the Lake improved. The proposed lease amendment would accommodate Urban Park Concessionaires (UPC), concessionaires of the Lake Merced boating and fishing activities, whose Lake Merced operations are experiencing financial difficulties due to the adverse environmental conditions at the fishery.

Currently, the lease agreement provides that UPC would pay a minimum annual rent or a percentage rent of gross receipts, whichever is greater. The proposed lease amendment would lower the rent during periods of adverse conditions as follows:

<u>Percentage Rent</u>	<u>Existing Provisions</u>	<u>Proposed Lease Provisions</u>
Boat Storage	25%	12.5% for gross sales of up to \$275,000 annually; 25% thereafter.
Boat Rental	20%	10% for gross sales of up to \$275,000 annually. 20% in excess of \$275,000.
All other Boating and Fishing Sales and Services	15%	7.5% for gross sales of up to \$275,000 annually; 15% in excess of \$275,000.
Food and Beverage Sales	10%	10% in excess of \$275,000.

<u>Minimum Annual Rent</u>	<u>Existing Provisions</u>	<u>Proposed Lease Provisions</u>
Years 1 - 4	\$22,500	\$11,250
Years 5 - 10	\$25,000	\$12,500

According to Mr. Ernie Prindle of RPD, the proposed UPC lease amendment would reduce the 1989 rent to RPD by approximately \$16,625, from \$33,250 in 1988 to \$16,625 under the proposed lease agreement.

Comments:

1. Ms. Mara Rosales of the City Attorney's Office advises that the Mirage Investments Restaurant and Bar settlement agreement is being negotiated in order to avoid the unknown costs that might result from litigation.

2. RPD reports that UPC has operated the boating and fishing concession at Lake Merced for approximately five years to the satisfaction of RPD and the public. RPD reports that since mid-1985, UPC has paid approximately \$122,000 in rent to RPD, and their net profit has been approximately \$4,000. According to RPD, the UPC recorded a net loss for 1988, and has stated that they can no longer afford to operate the concession under the financial terms of the current lease.

3. According to Mr. Ernie Prindle of RPD, a number of environmental factors have contributed to the gradual deterioration of conditions at Lake Merced which have hampered the profitability of operating a fishery at Lake Merced. RPD reports that RPD has been meeting for the last year with UPC, the State Fish and Game Department and the City's Water Department to identify Lake Merced's problems and possible solutions, and that a number of studies are currently in process. RPD advises that the implementation of solutions and the realization of any resulting benefits could take years.

4. According to the RPD, the City Attorney has advised that justification exists to renegotiate the lease terms because of objective confirmation that the deterioration of the fishery is due to environmental conditions beyond the UPC's control. RPD reports that the City Attorney advises that RPD is not legally required to solicit competitive bids for the lease. According to Mr. Prindle, no other concessionaire could be expected to assume the lease under the current terms of the lease.

5. Although RPD considers the adverse conditions encountered by the Urban Park Concessionaires as unusual and beyond the control of UPC, risks can be expected to occur in any business. Therefore, approval of the proposed lease amendment to relieve UPC of financial losses by passing those losses (approximately \$16,625 in 1989 in reduced rentals to the City) on to the City is a policy matter for the Board of Supervisors. It should be noted that approval of the proposed lease amendment will result in reduced rentals to the City in future years, although RPD cannot presently project the actual amount of the future annual losses to the City.

6. Approval of the proposed settlement agreement and lease amendment with Mirage Investments, Inc., based on the City Attorney's opinion that the settlement would forestall lengthy and potentially expensive litigation, is a policy matter for the Board of Supervisors. As previously noted, the result would be a reduction of approximately \$5,040 in 1989 in reduced rentals to the City. Again, these losses would continue in future years, although no estimate of the City's future losses are currently available. Also one-time costs would be incurred by the City of \$116,467.

Recommendation: In accordance with Comments 5 and 6 above, the Budget Analyst believes that approval of the proposed settlement agreement with Mirage Investments, Inc. (File 62-89-3) and the proposed lease amendments for Urban Park Concessionaires, (File 62-89-4) and for Mirage Investments, Inc., (File 62-89-5) are policy matters for the Board of Supervisors.

Item 1d File 101-88-159.1

Department: Department of Public Health (DPH)
Community Public Health Services (CPHS)

Item: Release of previously appropriated funds placed on reserve for a medical services contract and for data processing equipment.

Amount: \$173,379

Source of Funds: Fiscal year 1988-89 budget savings-unspent permanent salaries and related mandatory fringe benefits.

Description:

1. On June 19, 1989 the Board of Supervisors passed Ordinance No. 245-89 placing \$173,379 on reserve for medical-services contracts and data/word processing equipment. The distribution of the reserve is as follows:
 - \$78,860 Medical Services Contract (for start-up costs to begin a residential program for crack-addicted pregnant women; operating costs for the program are included in the Mayor's proposed 1989-90 budget). The requested release of \$78,860 reflects a reduction of \$5,750. This latter amount eliminated the salaries for two contract positions for one month during the 1988-89 fiscal year since the Medical Services contract had not been approved by the Health Commission.
 - \$94,519 Data Processing Equipment of which \$87,544 is to provide a Health Center Management Data Processing System to a third Health Center and \$6,975 is for computer equipment (first phase) to initiate a Home Health Data Processing System.

\$173,379 Total Reserve Amount

2. The funding was placed on reserve pending a review by the Real Estate Department and Bureau of Architecture of a proposed lease for the use of the Department of Public Health's Medical Services contractor to operate a residential facility at 741 Valencia Street.

BOARD OF SUPERVISORS
BUDGET ANALYST

3. The Director of Property advised the Finance Committee on June 21, 1989, that the base rent under the lease is within the parameters of fair market rent as the result of the building owner absorbing \$97,000 in renovation costs. Based on the amortization of these renovation costs over a three year period, the square foot per month rental cost has been reduced from \$1.90 to \$.89. The Director of Property has identified a range of \$.95 to \$1.50 for space in this area as a fair market rental.

4. The Director of Public Works advised the Finance Committee on June 15, 1989 that an estimate of \$142,000 in proposed renovation costs was based on work shown on engineering drawings, and is not excessive. As noted above, of this total, the building owner would pay \$97,000 of the cost and the City would pay the balance of \$45,000 in \$1,300 monthly segments over approximately 35 months.

Comments:

1. With respect to the \$6,975 data processing equipment, according to Ms. Florence Stroud, Deputy Director of Public Health, there are sufficient funds in the FY 1989-90 budget to implement the second phase of the Home Health data processing system scheduled for September of 1989 as identified in the FY 1989-90 Three Year Master Plan for DPH's Management Information System. Such funds are available since there are sufficient savings currently identified for the purchase of equipment to begin the implementation of the Health Data Processing Center Management Data Processing System in three of the City's Health Centers. Under these circumstances, DPH would proceed with the purchase of the computer equipment for the Home Health Data Processing System which is needed prior to beginning the second phase in September of 1989.

2. With respect to the \$78,860 for the Medical Services Contract, since the contract to establish the residential program for crack-addicted pregnant women will not be reviewed by the Health Commission until the Commission's meeting later this month, the funds requested for contractor staff salaries to begin the program during the first half of the current month (\$2,875) are not needed. The Department of Health concurs.

Recommendations: 1. Release \$170,504 of the reserve including \$75,985 (\$78,860 less \$2,875) for the Medical Services Contract Account and release \$94,519 for the Data Processing Equipment .

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
June 12, 1989

2. Do not release \$2,875 on reserve under line 13 Mandatory Fringe Benefits (debit) and \$2,875 under line 14 Medical Services Contract (credit).

BOARD OF SUPERVISORS
BUDGET ANALYST

Items 2 and 3 - Files 101-89-2 and 102-89-2

1. These items are to consider the Annual Appropriation Ordinance (File 101-89-2) and the Annual Salary Ordinance (File 102-89-2) for fiscal year 1989-90.

2. The Board of Supervisors previously approved the Interim Annual Appropriation Ordinance and Interim Annual Salary Ordinance (Files 101-89-1 and 102-89-1).

3. The Finance Committee conducted public hearings and budget review sessions on the Mayor's Proposed Budget for fiscal year 1989-90 and has made recommendations for amendments to the Mayor's Budget. The Mayor's Budget, with amendments recommended by the Finance Committee, is pending approval by the Board of Supervisors (File 100-89-1).

4. The Controller's Office and the Civil Service Commission are in the process of preparing revisions to the Annual Appropriation Ordinance and Annual Salary Ordinance to be consistent with the amendments recommended by the Finance Committee.

Recommendation

Approve the Annual Appropriation Ordinance (File 101-89-2) and Annual Salary Ordinance (File 102-89-2) as amended to reflect the recommendations of the Finance Committee on the Mayor's Fiscal Year 1989-90 budget.

Item 4 - File 60-89-2

1. The proposed ordinance would call for a special municipal election to be conducted by the City on November 7, 1989 for the purpose of submitting a proposition to the voters which would authorize the issuance of \$59,700,000 in General Obligation bonds at an interest rate not to exceed 12 percent per annum for seismic safety and rehabilitation improvements for various municipal facilities. The proposed ordinance would also consolidate the proposed special election with the general election previously scheduled, in accordance with State law.

2. The seismic safety and rehabilitation improvements, which would be funded from the \$59,700,000 General Obligation bonds, to be submitted for approval of the voters pursuant to this proposed ordinance, would provide funds for the acquisition, construction or completion of necessary improvements to reduce earthquake hazards, remove asbestos, rehabilitate City buildings, provide access for the disabled and related assessment programs. The cost breakdown of the proposed improvements is as follows:

Seismic Hazards Reduction	\$48,862,000
Asbestos Abatement	3,163,000
Rehabilitation	3,149,000
Disabled Access	2,700,000
Condition Assessment	<u>1,800,000</u>
Total	\$59,674,000

The attachment identifies each of the proposed buildings or facilities and the estimated cost for the various proposed project costs.

3. Section 9.103 of the City Charter states that:

"Special municipal elections shall be called by the registrar when required by this chapter on the filing of appropriate initiative, referendum or recall petitions, as provided by this charter, and may be called by the supervisors for bond issues, declarations of policy, or for the voting on candidates for city and county offices not subject to election at general municipal elections or municipal runoff elections."

Comments

1. The Board of Supervisors previously approved a resolution (File 215-89-4) which determined and declared that the public interest and necessity required the issuance of the \$59.7 million in General Obligation bonds for seismic safety and other rehabilitation improvements to the City's public facilities.

2. Ms. Germaine Wong, the acting Registrar of Voters, reports that local initiative petitions and other local measures are commonly added to the general election ballots without calling for a special election and consolidating such measures with the general election. According to the City Attorney, the proposed ordinance, which calls for a special election, is required by the State Government Code in the upcoming election due to the proposed issuance of General Obligation bonds. However, as cited above, this measure would be consolidated with the general election and therefore a separate special election is not required.

3. Due to the consolidation of the special election with the general election already scheduled to be held on November 7, 1989, Ms. Wong reports that the proposed ordinance should only result in some minor additional printing costs for the City. Ms. Wong reports that no precise estimate of the additional printing expenses could be made at this time.

4. According to the Capital Improvement Advisory Committee (CIAC), the proposed bond program will result in an average annual bonded indebtedness for the City of approximately \$5.205 million, assuming a 20 year period and an interest rate of approximately seven percent. This would result in an increase of approximately \$0.0137 (one and 37/100 cents) on the property tax rate. The estimated \$0.0137 increase in the property tax rate would increase property taxes for the owner of a home assessed at \$200,000 by an estimated \$26.44 per year for each of the 20 years of the bond issue.

5. The City's current bonding capacity is approximately \$1.101 billion. The proposed \$59.7 million bond program would reduce the City's bonding capacity to approximately \$1.041 billion. The tax rate for fiscal year 1988-89 was \$1.09 per \$100 of assessed valuation. The tax rate for fiscal year 1989-90 has not yet been established and will be set in September, 1989. According to the Controller's Office, the proposed bond issue will not result in an increase in the City's bonded indebtedness during fiscal year 1989-90.

Recommendation

Approve the proposed ordinance based on the prior approval by the Board of Supervisors of the resolution declaring the public interest and necessity of the proposed General Obligation bond issue relating to seismic safety and rehabilitation improvements to the City's public facilities.

SUMMARY OF BOND ISSUE WORK

BUILDING/FACILITY	Address	Yr. Built	Sq. Feet	Seismic Hazard	PROJECT COSTS				TOTAL
					Seismic Upgrade	Asbestos Abatement	Disabled Access	Condition Repairs	
FIRE DEPARTMENT									
Station #1	416 Jessie	1920	10,000	4	3,243	45	61	145	3,494
Station #2	1340 Powell	1916	12,300	3	3,193	70	57	167	3,487
Station #7	2300 Folsom	1954	18,000	2	452	237	188	185	1,061
Station #8	36 Bluxome	1940	9,200	4	1,095	40	101	214	1,450
Station #11	3880 26th St	1956	11,900	3	414	92	56	33	595
Station #15	1000 Ocean	1957	13,600	3	579	52	51	88	770
Station #21	1443 Grove	1958	8,300	2	374	81	47	102	604
Station #24	100 Hoffman	1914	6,000	4	1,623	55	101	208	1,986
Station #31	441 12th Av	1913	10,000	4	2,052	104	61	289	2,505
Station #36	106 Oak	1961	10,300	3	689	98	38	0	825
Station #37	798 Wisconsin	1915	4,700	4	1,636	64	152	36	1,888
Station #38	2150 California	1960	13,600	2	460	94	94	171	820
Station #40	2155 18th Av	1931	6,500	3	1,210	43	81	113	1,446
Station #44	1298 Girard	1915	5,900	4	1,631	116	71	36	1,854
Arson Task Force	676 Howard	1958	14,300	4	403	121	56	63	643
Ashbury Tank	1234 Clayton	1915	1,400	3	189	0	0	15	204
Old Station #21	1152 Oak	1893	5,600	4	840	20	101	130	1,091
Pump Station #1	2nd & Townsend	1912	16,000	2	1,173	665	61	222	2,121
Headquarters Bldg	260 Golden Gate	1966	45,000	3	4,046	326	38	206	4,616
HEALTH DEPARTMENT									
Laguna Honda Boiler/equipment	375 L.H. Bl	1933	7,400	3	1,504	42	30	287	1,862
PUBLIC ASSEMBLIES									
Covell Hall (CAS)	Golden Gate Park	1967	30,600	4	1,088	111	385	313	1,897
Research/IZG (CAS)	Golden Gate Park	1915	23,800	4	1,340	46	506	109	2,001
Legion of Honor	Lincoln Park	1924	84,200	3	10,500	351	364	17	11,232
Main Library	200 Larkin St	1916	139,900	3	9,130	290	0	0	9,420
Total for Fire			222,600		25,302	2,322	1,415	2,423	31,462
Total for DPH/PA			285,900		23,561	841	1,285	726	26,412
Assessments & planning - future phases									1,800
TOTAL			508,500		48,862	3,163	2,700	3,149	59,674

NOTES

- These buildings are from a list of 170 which have received seismic evaluations. The selections were based on the level of seismic deficiencies in a building, and on the need for a building to remain functional after an earthquake.
- Project costs include design, construction, related non-structural work, project management, relocation and inflation.
- High seismic upgrade costs (relative to replacement) and operational deficiencies may cause some facilities to be rebuilt or their functions relocated to new buildings.
- Seismic Hazard Rating: 1 = minor damage; 2 = moderate damage; 3 = major damage; 4 = partial/total collapse.

Item 5 - File 209-89-3

1. The proposed ordinance would submit a proposition to the voters of San Francisco on November 7, 1989 to create a San Francisco County Transportation Authority and to impose a one-half of one percent Transactions and Use Tax (sales tax) for a maximum period of 20 years to fund transportation projects identified in the City's Transportation Expenditure Plan. Included in the proposed proposition would be the authorization for the County Transportation Authority to issue limited tax bonds not to exceed \$742 million to be repaid from the sales tax revenues and to approve the California Constitution Article XIII B annual appropriations limit of \$160 million (Gann Limitation).

2. Under State law (California Public Utilities Code, Section 131000 et seq), a county may impose a one-half of one cent sales tax to be used for funding new transportation and traffic projects for which funds are not available from any other sources. These funds, according to the enabling legislation (SB 878), must not replace funds previously provided by tax revenues for public transportation purposes. Since the maximum sales tax permitted is seven percent and the sales tax in San Francisco is now 6.5 percent, the City has only the option of adding a one-half cent increment to the present rate.

3. Such a sales tax increase must be approved by a majority of the voters of San Francisco. Prior to voter approval, the City must adopt an expenditure plan for transportation and related projects to be funded from the proceeds of the extra one-half cent sales tax. In May, 1989, the Board of Supervisors approved a Transportation Expenditure Plan for San Francisco which calls for an additional one-half cent sales tax (File 209-89-2). Consistent with the provisions in Ordinance No. 184-88, the Transportation Expenditure Plan was submitted by the Board of Supervisors to the Metropolitan Transportation Commission (MTC) for MTC's review. On June 28, 1989, MTC approved San Francisco's Transportation Expenditure Plan.

4. The approved Transportation Expenditure Plan contains a 20-year program of transportation improvements based on the adoption of the one-half cent sales tax increase to fund these improvements. The revenue stream over the 20-year period to be created by the sales tax increase is projected to total approximately \$902 million. The Board of Supervisors amended the Transportation Expenditure Plan to revise the allocation of the estimated \$902 million among the following four major transportation categories:

<u>Transportation Category</u>	<u>Percent of Allocation</u>	<u>Projected Amount of Funds (millions)</u>
Transit	60%	\$541
Streets and Traffic Safety	30	271
Paratransit	8	72
Transportation Syst Mgmt (TSM)	<u>2</u>	<u>18</u>
Total	100	902

BOARD OF SUPERVISORS
BUDGET ANALYST

5. In general, the sales tax revenues are recommended to be spent on capital projects rather than to fund transportation operations and maintenance activities. In fact, according to State legislation, the proposed new tax revenues must not replace funds previously provided by property tax revenues. The proposed ordinance therefore requires that each year the additional one-half cent sales tax is in effect and prior to the allocation of funds by the County Transportation Authority, the Controller must certify that the funds will not be substituted for existing property tax funds.

6. Under the proposed legislation, the County Transportation Authority would contract with the State Board of Equalization to provide the administrative functions necessary for the collection and operation of the additional one-half cent sales tax. The State Board of Equalization is currently responsible for collecting and administering the California State Sales and Use Tax.

7. As indicated above, the proposed ordinance would initiate a ballot measure to be presented to the voters of San Francisco. In addition to asking the voters in the November, 1989 election to impose an additional one-half cent sales tax to finance transportation improvements, the voters would be asked to create a County Transportation Authority. The County Transportation Authority, which would have the responsibility of administering the sales tax proceeds in accordance with the Transportation Expenditure Plan, is proposed to be comprised of the members of the Board of Supervisors. The proposed ordinance also requests that the County Transportation Authority have the authority to issue limited tax revenue bonds up to \$742 million, to be repaid from the sales tax revenues generated. The \$742 million bonding capacity represents the projected costs of the major Transit and Streets and Traffic Safety projects that are included in the Transportation Expenditure Plan. The proposed ordinance would also limit the County Transportation Authority appropriations during fiscal year 1989-90 and each following year, unless amended, to \$160 million, in accordance with Article XIII B of the State Constitution (Gann Limitation).

Comments

1. Of the 6.5 percent sales tax in San Francisco, the City receives 1.25 percent. The Bay Area Rapid Transit District (BART) receives 0.5 percent and the remaining 4.75 percent is retained by the State. Based on the 1.25 percent rate, the City and County of San Francisco budgeted \$79.5 million in sales tax revenue for fiscal year 1988-89 and projects \$88.1 million in sales tax revenues for fiscal year 1989-90. The additional one-half of one percent sales tax is estimated to generate an additional \$33 million to \$51 million annually, over the projected 20-year period. If the proposed proposition is approved in the November, 1989 election, the additional one-half cent sales tax would become effective as of April 1, 1990.

2. According to Mr. Lee Knight, of the Public Utilities Commission (PUC), in addition to the \$902 million total expenditures over the next 20 years, there is projected to be a one percent administrative cost, or approximately \$350,000 to \$500,000 annually to administer the new transportation program. Mr. Knight reports that, to date, no definitive plan has been developed on how to allocate the proposed administrative expenditures. In addition, although approximately 80 percent of the proposed projects are capital projects, approximately 20 percent of the total \$902 million, or approximately \$180 million, is anticipated to be used for new transit and road operations and maintenance expenditures. This is in addition to the proposed eight percent of the \$902 million, or approximately \$72 million, allotted to paratransit services. Together, these operational and maintenance expenditures total approximately \$252 million (\$180 million and \$72 million) over the next 20 years. These type of expenditures will require additional staffing, although no estimates of the number of staff required for these operations are currently available.

3. According to Mr. Knight, the proposed plan would not require the need for any additional General Fund support. However, the impacts on the General Fund in 20 years, after the proposed sales tax expires, and the City's transportation, road and paratransit services have been significantly increased, have not been identified.

4. The City Attorney's Office reports that several changes to the proposed ordinance will be introduced at the Finance Committee meeting on July 12, 1989.

Recommendation

Approve the proposed ordinance, based on the prior Board of Supervisors approval of the City's Transportation Expenditure Plan, which assumes the imposition of a one-half cent sales tax and the creation of a County Transportation Authority.

Item 6 - File 106-89-4

1. This is a hearing to consider the submission of a plan from the Civil Service Commission regarding examination and classification functions.

2. According to Mr. John Walsh of the Civil Service Commission, the Commission has recently prepared a report on the responsibilities of the Civil Service Commission's examination and classification programs. Final copies of the report should be available just prior to the July 12, 1989 Finance Committee meeting.

3. Representatives from the Civil Service Commission will be present at the July 12, 1989 Finance Committee meeting to provide additional information and to answer any questions from members of the Committee.

Item 7 - File 250-89-1

1. This item is a hearing to consider the City Workers' Compensation system.

2. According to a report prepared by Mr. Keith Grand, the City's Risk Manager, San Francisco's Workers' Compensation system incurs annual direct costs of approximately \$20 million and receives approximately 6,000 new claims per year, which result in approximately 180,000 lost days of work for the City.

3. Additional information has been prepared by the Chief Administrative Officer (CAO) and the City's Risk Manager to identify and describe the disincentives that have been built into the City's Workers' Compensation system, which have resulted in a more costly system than may be necessary. As identified, some of these disincentives are the result of State legislation, while other disincentives result from local legislation and procedures. Included in the report from the City's Risk Manager are the steps that have recently been instituted to improve the City Workers' Compensation system. The report also includes recommendations regarding the steps that still need to be taken. These additional recommendations address concerns in City departments, City procedures, local legislative actions and State legislative actions.

4. The reports and information provided by the CAO and the City's Risk Manager on the City Workers' Compensation system are contained in the Board of Supervisors' file. Both Mr. Grand and representatives from the CAO's Office will attend the July 12, 1989 Finance Committee meeting to provide additional information and to respond to any questions from the Committee.

Comments

1. The Mayor's 1989-90 budget includes a total budget in all departments for Workers' Compensation of \$17,531,849. Of MUNI's 1989-90 Workers' Compensation budget of \$4.5 million (the highest amount budgeted by a single department), the Finance Committee is recommending that \$700,000 be set aside in a special reserve to cover extraordinary claims. Monies from this reserve would be released only after further evidence of need is demonstrated to the Finance Committee.

2. The actual Workers Compensation costs incurred by nine major departments since 1984-85 is presented on the following attachment.

Workers Compensation - Major Departments
Actual Costs 1984-85 through 1988-89 (000)

	<u>1984-85</u>	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>	<u>1988-89*</u>	Average Annual <u>1984-89</u>
Municipal Railway	\$2,589.9	\$3,557.4	\$3,996.8	\$3,309.1	\$3,796.9	\$3,450.0
Police Department	2,163.6	2,955.8	3,434.1	2,925.7	3,552.2	3,006.3
Fire Department	1,579.9	1,770.4	2,173.5	2,015.1	2,595.2	2,026.8
Public Health	1,311.8	1,663.4	1,791.3	1,545.9	1,596.6	1,581.8
Recreation/Park	690.8	713.3	734.4	923.3	958.2	804.0
Public Works	677.3	816.0	755.1	745.9	763.5	751.6
Airport	448.8	511.7	498.7	513.1	702.4	534.9
Water	217.7	214.7	225.3	271.0	344.3	254.6
Sheriff	225.2	256.9	280.2	252.4	378.7	278.7

* Annualized projection of 11-month actuals.

Item 8 - File 97-89-31

1. This is a hearing to consider policy setting, administration and budgeting of the Narcotics Forfeiture and Asset Seizure Fund.

2. The Narcotics Forfeiture and Asset Seizure Fund (Fund) was created in 1986. Between August, 1986 and April, 1987, the Fund was administered by the Police Department as a contingency fund under the control of the Chief of Police and the Mayor. Since April, 1987, the fund has been administered by the City's Controller and Treasurer. Under the current arrangements, the Controller's Office provides quarterly reports on the Fund to the Board of Supervisors.

2. According to Lieutenant John Robinson of the Police Department, the four Deputy Chiefs within the Police Department currently comprise the Narcotics Forfeiture Fund Committee within the Police Department. This Committee reviews the requests for appropriations from the Fund and makes recommendations to the Chief of Police. All appropriations less than \$10,000 require the Mayor's approval. All appropriations greater than \$10,000 require approval of the Mayor and the Board of Supervisors.

3. In general, the Fund has been used for purposes related to drug education and prevention and to finance non-personnel expenses of the Department's Narcotics Task Force. However, a recent supplemental appropriation for Police Overtime was, on the recommendation to the Mayor, funded partially (in the amount of \$385,000) from the Fund on the basis that a portion of the overtime expense was for narcotics enforcement. While the balance of the Fund was approximately \$1,297,000, approval by the Finance Committee of the \$385,000 for overtime funding from the Fund and appropriations for the District Attorney amounting to \$167,000 and a supplemental request of \$169,000 for anti-drug programs in schools reduced the available Fund monies to approximately \$576,000.

4. According to the Police Department, pending requests to fund future narcotics program activities include the following:

\$811,297	Non-personnel operating expenditures for the Narcotics Task Force
38,000	Local 50 percent match for drug education grant funds
68,655	Proposed computer system to track drug traffickers
<u>12,000</u>	Navy lease for seized vehicles

\$929,952 Total pending requests

As indicated above, the amount of pending requests from the Fund exceed the available monies by approximately \$350,000. However, in addition to the above pending requests, Lieutenant Robinson reports that approximately eight more requests will be brought before the Police Department's Narcotics Forfeiture Fund Committee during the next week.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
July 12, 1989

5. During the recent budget hearings, the Budget Analyst reported that to fully fund these requests, a policy decision must be made regarding the use of General Fund monies for activities that, in the past, have been funded with Narcotics Forfeiture and Asset Seizure Fund.

6. Attached are several reports provided by the Police Department regarding receipts and disbursements to the Fund, including the Airport's Federal revenue funds, since 1986.

BOARD OF SUPERVISORS
BUDGET ANALYST

NARCOTICS FORFEITURE FUND
Account Balance Sheet
As of April 15, 1987

Attachment
Page 1 of 7

DATE	CK/DEP. NO.	DATE	DESCRIPTION	RECEIPTS	DISBURSEMENTS	BALANCE
1986						
08/12	3869		Deposit of U.S. Treasury Check No. 00,136,025	45,545.25		45,545.25
	3869		Deposit of U.S. Treasury Check No. 00,136,132	3,627.75		49,173.00
	3869		Deposit of U.S. Treasury Check No. 00,136,133	10,008.75		59,181.75
	3869		Deposit of U.S. Treasury Check No. 00,136,334	5,580.00		64,761.75
	3869		Deposit of U.S. Treasury Check No. 00,136,955	2,681.00		67,442.75
	3869		Deposit of U.S. Treasury Check No. 00,137,980	7,500.00		74,942.75
	3869		Deposit of U.S. Treasury Check No. 00,137,981	3,168.00		78,110.75
	3869		Deposit of U.S. Treasury Check No. 00,137,982	7,505.75		85,616.50
	3869		Deposit of U.S. Treasury Check No. 00,137,984	11,370.00		96,986.50
	3869		Deposit of U.S. Treasury Check No. 00,137,991	15,908.90		112,895.40
	3869		Deposit of U.S. Treasury Check No. 00,138,056	13,450.50		126,445.90
	3869		Deposit of U.S. Treasury Check No. 00,138,057	3,000.00		129,445.90
	3869		Deposit of U.S. Treasury Check No. 00,138,058	3,960.00		133,405.90
	3869		Deposit of U.S. Treasury Check No. 00,138,059	5,921.00		139,326.90
08/28	3870		Deposit of U.S. Treasury Check No. 00,138,549	4,937.00		144,263.90
	3870		Deposit of U.S. Treasury Check No. 00,138,831	7,066.00		151,329.90
	3870		Deposit of U.S. Treasury Check No. 00,138,835	12,973.00		164,302.90
	3870		Deposit of U.S. Treasury Check No. 00,138,836	12,371.25		176,674.15
10/03	3871		Deposit of U.S. Treasury Check No. 00,139,136	8,200.00		184,874.15
	3871		Deposit of U.S. Treasury Check No. 00,139,137	5,396.00		190,270.15
11/21	1001		Payee: Photo Metro	200.00		190,070.15
	1002		RE: Task force brochures, Mayor's Task Force on Narcotics			
	1003		Payee: The Green Company	832.39		189,237.76
	1004		RE: Production of "Phone in the Dope..." billboard campaign			
	1004		Payee: Metro Type	125.00		189,112.76
	1004		RE: Drug prevention resources with Rush			
	1004		Payee: Winston Network Inc.	1,600.00		187,512.76
	1004		RE: Posters on Muni buses, 800 units 11" high x 28" wide			
	1004		Payee: Winston Network Inc.	2,500.00		185,012.76
	1004		RE: Posters on Muni buses, 50 units 30" high x 144" wide			
11/28	3876		Deposit of U.S. Treasury Check No. 00,139,800	36,000.00		221,012.76
	3876		Deposit of U.S. Treasury Check No. 00,139,801	5,625.00		226,637.76
12/04	1005		Voided Check			
	1006		Payee: California Video Sales, Inc.			
	1006		RE: Video Equipment			
12/12	3877		Deposit of U.S. Treasury Check No. 00,140,516		5,801.91	220,835.85
12/31	1007		San Francisco Unified School District			
	1007		RE: Project SANE	2,227.50		235,063.35

1987

01/02		Balance forwarded			
01/15	1008	American International Car Rental RE: Rental of Undercover Vehicles, Sept. 2 - Dec 29, 1986	17,126.30		235,938.80
01/16	1009	San Francisco Police Department RE: Reimbursement of Rental of Undercover Vehicles	4,624.97		218,812.50
01/16	1010	New Dayview Newspaper RE: Newspaper advertisement	500.00		214,187.53
01/21	1011	San Francisco Police Department RE: Reimbursement of Narcotics Hotline Overtime	5,373.42		213,687.53
02/26	1012	River Community Services RE: Project Sane	1,240.00		208,314.11
	1013	Comprehensive Health Education Foundation (CHEF) RE: Project Sane	58,734.30		207,074.11
	1014	Guaranty Office Equipment RE: Project Sane	186.30		148,339.81
	1015	Redwood Typewriter Company RE: Project Sane	744.92		148,153.43
	1016	Entre Computer Center RE: Project Sane	3,350.19		147,408.51
	1017	Photo and Sound Company RE: Project Sane	840.00		144,058.32
	1018	Sandra Glosser RE: Project Sane	2,200.00		143,218.32
	1019	Connie Neuhouser RE: Project Sane	130.00		141,018.32
	1020	Marilyn Hearn RE: Project Sane	102.00		140,888.32
	1021	Nancy Ilapren RE: Project Sane	102.00		140,786.32
03/03	1022	Yerba Buena Press RE: Bus signs	2,644.80		140,684.32
	1023	Process Poster Co. RE: Junior 8 billboards	873.30		138,039.52
03/05	1024	Process Poster Co. RE: Bleed Billboards	1,405.80		137,166.22
03/19	1025	A. T. & T. RE: Project Sane	6,063.21		135,760.42
04/01	1026	Sandra Glosser RE: Project Sane	1,200.00		129,697.21
04/03	1027	Serramonte Chrysler-Plymouth, Inc. RE: Project Sane	36,869.71		128,497.21
04/15	1028	City and County of San Francisco RE: Return of funds to the City treasury	91,627.50		91,627.50
					0.00



POLICE DEPARTMENT

CITY AND COUNTY OF SAN FRANCISCO

HALL OF JUSTICE

850 BRYANT STREET

SAN FRANCISCO, CALIFORNIA 94103

Attachment
Page 3 of 7

ADDRESS ALL COMMUNICATIONS:

FRANK M. JORDAN

CHIEF OF POLICE

IN REPLY, PLEASE REFER TO

A/991/mc

OUR FILE:

April 10, 1989

The Honorable Nancy Walker
Chairperson of Finance Committee
City Hall, Room 235
San Francisco, CA 94102

Subject: Narcotics Forfeiture and
Asset Seizure Fund

Dear Supervisor Walker:

The Narcotics Forfeiture and Asset Seizure Fund has supported selected operations of the Police Department since the fund was created in 1986. From August 1986 to April 1987 the fund was administered by the Police Department as a contingency fund under the control of the Chief of Police and the Mayor, following Federal guidelines and local ordinance. Attached is a statement of activity of the fund during this time period.

After April 1987, the fund was turned over to the Controller and Treasurer for administration. The Controller provides you with quarterly reports of the status of the fund.

Since April 1987, the Police Department has made the following uses of the fund:

Drug Education (Project SANE)	62,746.80
Oceanview Playground - P.A.L.	35,000.00
Seized Vehicle Storage	3,600.00
Printer for Subpoenas	2,750.00
Forensic Lab Equipment	6,700.00
Mobile Command Van	123,000.00
Ballistic Shields	2,467.00
FAX Rental (3 for search warrants)	5,734.00
Polygraph Instrument	5,300.00
Narcotics "Flash" Money	50,000.00
Narcotics Task Force 87-88	881,258.00
Narcotics Task Force 88-89	61,440.00
Video Equip for Crime Scene Invest.	5,529.00
Two Portable Computer Terminals	6,800.00
Gas Chromatograph Upgrade	7,570.00
Reward/Information Fund	9,500.00

The Honorable Nancy Walker
April 10, 1989
Page 2

Additional requests have been made for expenditure from the fund, but final approval has not been received as of this date. If you desire any additional information regarding the Narcotics Forfeiture and Asset Seizure Fund, please contact Lieutenant John Robinson at 553-9174 for assistance.

Sincerely yours,

WILLIS A. CASEY
Deputy Chief of Police
Administration Bureau

Memorandum

San Francisco Police Department



To: Lt. John Robinson
Fiscal Officer

APPROVED YES NO

From: Dan Martin
Principal Accountant

_____ ☐ ☐

_____ ☐ ☐

Date: June 15, 1989

_____ ☐ ☐

Subj: Narcotics Forfeiture & Asset Seizure Fund
As of May 19, 1989

	<u>Federal Funds</u>	<u>State Funds</u>
Revenues: Police	\$2,123,870	\$135,406
Airport	<u>649,502</u>	<u> </u>
Total Revenues:	\$2,773,372	\$135,406
Funds Appropriated:	<u>1,611,444</u>	<u>-0-</u>
Unappropriated Balance:	<u>\$1,161,928</u>	<u>\$135,406</u>

See attachment for itemization of expenditures.

Copies To:

Narcotics Forfeiture & Asset Seizure Fund
At May 19, 1989

Appropriations vs. Expended/Encumbered
By Project

<u>Project</u>	<u>Authorized</u>	<u>Exp./Enc.</u>	<u>Remaining Balance</u>
Prior Year Expenses	\$ 157,910.00	\$ 157,910.00	\$ -0-
Drug Education	62,746.80	59,406.56	3,340.24
Investigations	5,580.00	-0-	5,580.00
P.A.L. Oceanview	93,000.00	38,100.70 (1)	54,899.30
Auto Storage	3,600.00	3,600.00	-0-
Harris Printer	2,750.00	2,726.42	23.58
Scientific Equipment	6,700.00	6,502.21	197.79
Command Van	123,000.00	99,379.16	23,620.84
Ballistic Shields	2,467.40	2,467.40	-0-
Fac Machine Rental	5,734.00	5,734.00	-0-
Polygraph Instrument	5,300.00	5,644.50	(344.50)
Flash Money	50,000.00	50,000.00	-0-
Video Camera	5,259.00	-0-	5,259.00 (2)
Computer Terminals	6,800.00	-0-	6,800.00 (2)
Gas Chromatograph	7,570.00	-0-	7,570.00 (2)
Mostar Radios	87,131.00	87,131.00	-0-
Reward Fund	9,500.00	9,500.00	-0-
S.A.F.E. Program	33,698.00	-0-	33,698.00 (3)
N.E.T. 87-88	881,258.00	764,926.37	116,331.63
N.E.T. 88-89	61,440.00	66,156.13	(4,716.13)
Totals:	<u>\$1,611,444.20</u>	<u>\$1,359,184.45</u>	<u>\$252,259.75</u>

- (1) Through Pay Period Ended 04/28/89
(2) Purchase Order Requested
(3) Contract Order Processing

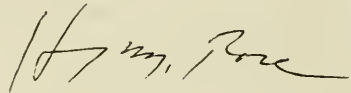
NARCOTICS FORFEITURE FUND
STATEMENT OF RECEIPTS & DISBURSEMENTS
FOR FISCAL PERIOD ENDING JUNE 6, 1989

	POLICE	AIRPORT	T O T A L
FINANCING SOURCES:			
RECEIPTS FROM FEDERAL AND STATE AGENCY:			
FROM INCEPTION OF FUND TO 03/31/89	2,171,659	1,716,693	3,888,352
RECEIVED DURING THE 4TH QTR ENDING 06/06/89	87,616	0	87,616
TOTAL REC'D FROM FEDERAL AND STATE TO DATE	2,259,275	1,716,693	3,975,968
OTHERS:			
REVENUE TRANSFER-IN FROM AIRPORT	649,502	0	649,502
TOTAL FINANCING SOURCES	2,908,777	1,716,693	4,625,470
APPLICATIONS/USES:			
TOTAL APPROPRIATION APPROVED	1,611,444	1,666,954	3,278,398
EXPENDED TO DATE	1,206,867	559,278	1,766,145
OUTSTANDING ENCUMBRANCES	152,317	82,904	235,221
OTHERS:			
REVENUE TRANSFER-OUT TO POLICE DEPARTMENT		649,502	649,502
TOTAL AMOUNT EXPENDED/ENCUMBERED/TRANSFERRED	1,359,184	1,291,684	2,650,868
REMAINING UNENCUMBERED APPROPRIATION	252,260	375,270	627,530
UNAPPROPRIATED REVENUE	1,297,333	49,739	1,347,072
TOTAL PENDING SUPPLEMENTALS	335,820	0	335,820
IN-PROCESS (RO#8239,8289,8309)	961,513	49,739	1,011,252
NET AVAILABLE UNAPPROPRIATED REVENUE			

Memo to Finance Committee
July 12, 1989

Item 9 - File 45-89-29

The proposed ordinance authorizing settlement of litigation is a legal matter under the responsibility of the City Attorney's Office. The Budget Analyst does not normally review and report on such items.



Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
President Britt
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

BOARD OF SUPERVISORS
BUDGET ANALYST

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Actions
Taken

CALENDAR
MEETING OF
FINANCE COMMITTEE

DOCUMENTS DEPT.

JUL 20 1989
SAN FRANCISCO
PUBLIC LIBRARY

Board of Supervisors
City and County of San Francisco

WEDNESDAY, JULY 19, 1989 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

ABSENT: SUPERVISOR WARD

CLERK: GREG HOBSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

1. File 250-89-1. To consider the City's Workers' Compensation system. (Supervisor Walker)

(Cont'd from 7/12/89)

ACTION: HEARING HELD; CONTINUED TO AUGUST 16, 1989.

2. File 82-89-7. [Exchange of Sewer Easements] Ordinance authorizing exchange of sewer pipeline easements in City and County of San Francisco Assessor's Block 4991, Lot 85 owned by Campeau Corporation California. (Real Estate Dept.)

ACTION: RECOMMENDED.

3. File 121-89-7. [Fees for Motor Vehicle for Hire Permits] Ordinance amending Part II, Chapter VIII of the San Francisco Municipal Code (Police Code) by adding Sections 2.26.1 and 2.27.2 establishing separate filing and license fee schedules for motor vehicles for hire. (Police Dept.)

ACTION: CONTINUED TO AUGUST 16, 1989.

CLOSED SESSION

4. File 45-89-30. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Felipe Carreon against the City and County of San Francisco and Kevin E. Waight for \$6,700; and City to waive San Francisco General Hospital lien of \$875.55. (City Attorney) (Superior Court No. 886-597)

ACTION: RECOMMENDED.

5. File 46-89-9. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Ross E. Laflin and Martin Sacco vs. Pacific Gas and Electric Co., William H. Malcom, et al., upon receipt of the sum of \$30,000 and authorizing dismissal of complaint. (City Attorney) (Superior Court No. 865-977)

ACTION: CONTINUED TO JULY 26, 1989.

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CITY AND COUNTY



Public Library, Documents
Dept. - ATTN:
Gerry Roth
OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST *Recommendation*

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

July 17, 1989

TO: Finance Committee
FROM: Budget Analyst
SUBJECT: July 19, 1989 Finance Committee Meeting

DOCUMENTS DEPT.

JUL 20 1989

SAN FRANCISCO
PUBLIC LIBRARY

Item 1 - File 250-89-1

Note: This item was continued at the July 12, 1989 Finance Committee meeting.

1. This item is a hearing to consider the City Workers' Compensation system.

2. According to a report prepared by Mr. Keith Grand, the City's Risk Manager, San Francisco's Workers' Compensation system incurs annual direct costs of approximately \$20 million and receives approximately 6,000 new claims per year, which result in approximately 180,000 lost days of work for the City.

3. Additional information has been prepared by the Chief Administrative Officer (CAO) and the City's Risk Manager to identify and describe the disincentives that have been built into the City's Workers' Compensation system, which have resulted in a more costly system than may be necessary. As identified, some of these disincentives are the result of State legislation, while other disincentives result from local legislation and procedures. Included in the report from the City's Risk Manager are the steps that have recently been instituted to improve the City Workers' Compensation system. The report also includes recommendations regarding the steps that still need to be taken. These additional recommendations address concerns in City departments, City procedures, local legislative actions and State legislative actions.

4. The reports and information provided by the CAO and the City's Risk Manager on the City Workers' Compensation system are contained in the Board of Supervisors' file. Both Mr. Grand and representatives from the CAO's Office will attend the July 19, 1989 Finance Committee meeting to provide additional information and to respond to any questions from the Committee.

Comments

1. The Mayor's 1989-90 budget includes a total budget in all departments for Workers' Compensation of \$17,531,849. Of MUNI's 1989-90 Workers' Compensation budget of \$4.5 million (the highest amount budgeted by a single department), the Finance Committee is recommending that \$700,000 be set aside in a special reserve to cover extraordinary claims. Monies from this reserve would be released only after further evidence of need is demonstrated to the Finance Committee.

2. The actual Workers Compensation costs incurred by nine major departments since 1984-85 is presented on the following attachment. Each of these nine major departments were contacted to attend the July 19, 1989 Finance Committee meeting.

Workers Compensation - Major Departments
Actual Costs 1984-85 through 1988-89 (000)

	<u>1984-85</u>	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>	<u>1988-89*</u>	Average Annual <u>1984-89</u>
Municipal Railway	\$2,589.9	\$3,557.4	\$3,996.8	\$3,309.1	\$3,796.9	\$3,450.0
Police Department	2,163.6	2,955.8	3,434.1	2,925.7	3,552.2	3,006.3
Fire Department	1,579.9	1,770.4	2,173.5	2,015.1	2,595.2	2,026.8
Public Health	1,311.8	1,663.4	1,791.3	1,545.9	1,596.6	1,581.8
Recreation/Park	690.8	713.3	734.4	923.3	958.2	804.0
Public Works	677.3	816.0	755.1	745.9	763.5	751.6
Airport	448.8	511.7	498.7	513.1	702.4	534.9
Water	217.7	214.7	225.3	271.0	344.3	254.6
Sheriff	225.2	256.9	280.2	252.4	378.7	278.7

* Annualized projection of 11-month actuals.

Item 2 - File 82-89-7

Departments: Real Estate Department
Department of Public Works, Clean Water Program (CWP)

Proposed Action: Ordinance authorizing the City and County of San Francisco to exchange sewer pipeline easements with the Campeau Corporation California.

Location: The proposed ordinance involves two proposed easements located within the City and County of San Francisco's Assessor Block 4991, Lot 85 which is in Executive Park, near Candlestick Park (see attached map).

Purpose: The acquisition of the new sewer easement owned by the Campeau Corporation is needed to construct, maintain and operate a subsurface transport sewer, storage box and pump station for the CWP's Sunnydale Transport Facilities Project, which is designed to accommodate additional runoff during heavy rains and to correct the major sewer problems in the southeast corridor of the City. The proposed ordinance would allow the City's Clean Water Program to acquire a new sewer pipeline easement over another route on the same Campeau Corporation California property.

Size: The current sewer pipeline easement on this property is approximately 4,729 square feet. The proposed new sewer pipeline easement is approximately 6,793 square feet,

**Easement Rights
Purchase Price:** According to the City's Real Estate Department, the fair market value of the City's current sewer pipeline easement is \$29,550, which is \$14,550 less than the \$44,100 fair market value of the proposed new sewer pipeline easement owned by Campeau. Under the proposed ordinance, the City's current easement would be surrendered and an additional \$14,550 would be paid by the City to Campeau Corporation California in order to obtain Campeau's easement. The additional \$14,550 represents the difference in estimated fair market value between the existing easement and the proposed easement (\$44,100 - \$29,550).

Source of Funds:

Previously appropriated 1976 Sewer Revenue Bonds (Principal and interest payments are made from Sewer Service Charge revenues).

Comments:

1. The Department of City Planning has reported that Master Plan approval and adoption of the eight priority policies of Code Section 101.1 (Proposition M) are not required for underground capital improvements.

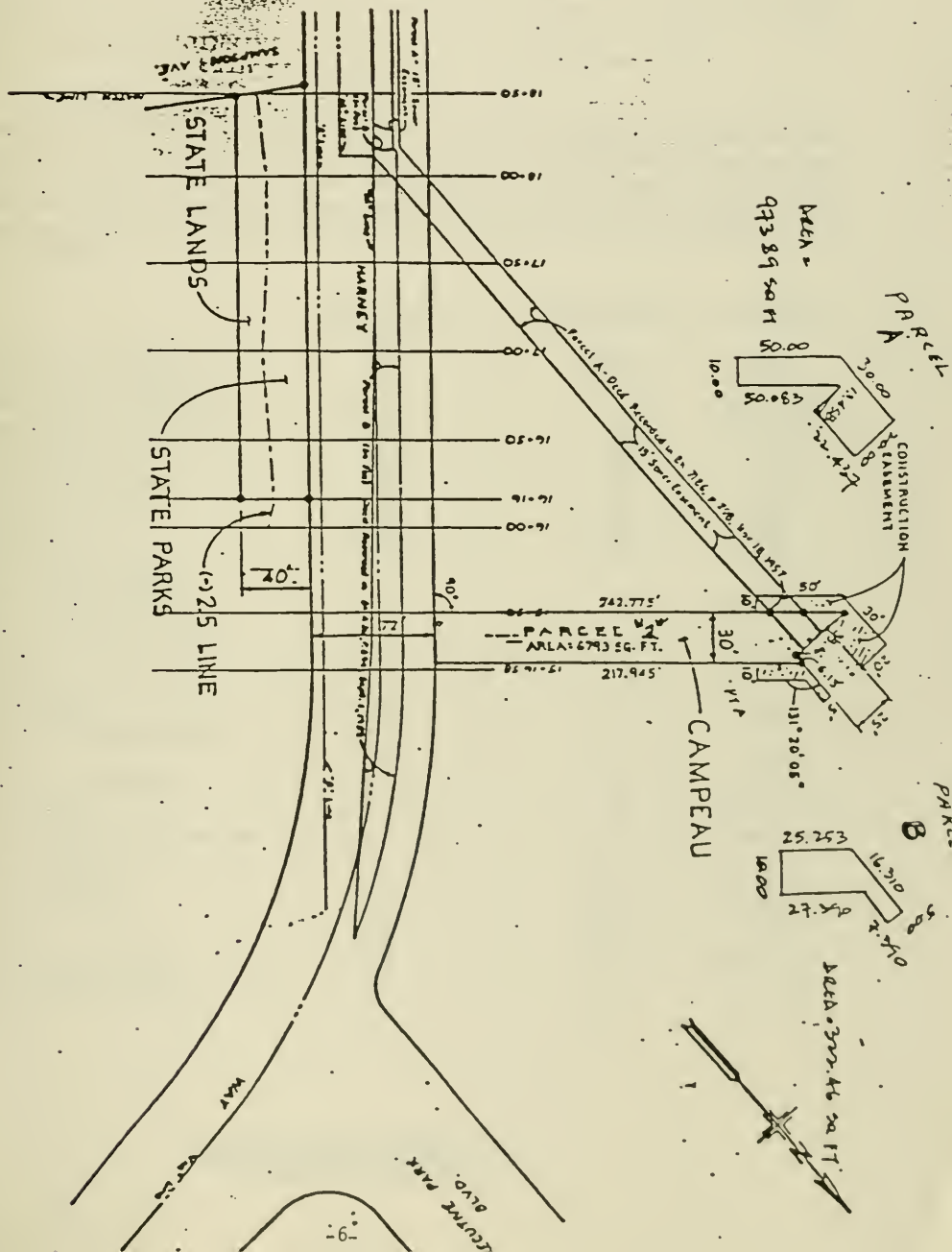
2. Mr. Harry Quinn of the Real Estate Department reports that the proposed exchange of easements is one of the six easements that are needed to undertake the construction of the Sunnydale Facilities Project. The City has already obtained two easements from the State Parks Department, one easement from the California State Lands Commission and one encroachment permit from the California Department of Transportation (Caltrans). In addition to the currently proposed transfer of easements with the Campeau Corporation California, one easement from the Santa Fe Realty Company is yet to be obtained.

3. Mr. Quinn also reports that the proposed new Campeau Corporation California easement is located within a parking lot that is used for overflow parking for Candlestick Park. As a result, the Sunnydale Facilities construction permit will restrict work from being undertaken at the time that the overflow parking lot is being used. According to Mr. Quinn, this should not be a problem, since most Candlestick events occur on nights and weekends when construction would not normally be occurring. The construction is projected to begin in late 1989 and be completed by August of 1991.

3. Mr. Todd Cockburn, of the CWP reports that there may be some scheduling problems because the State Regional Water Quality Board has imposed a deadline of August 1, 1989 for issuing a notice to proceed to the contractor. Since the proposed ordinance could not be approved by the Board of Supervisors until July 31, 1989 and the final easement with Santa Fe Realty has not yet been approved, Mr. Cockburn indicates that the City may need to obtain an extension of the State deadline or alternatively expedite the approval process for the remaining easements. According to Mr. Cockburn, the State can impose up to a \$25,000 per day fine for not meeting the August 1 deadline.

Recommendation:

Approve the proposed ordinance.



Item 3 - File 121-89-7

1. The proposed ordinance would add Sections 2.26.1 and 2.27.2 to the Municipal Police Code, which would establish separate filing and license fee schedules for Motor Vehicles for Hire and would propose fee increases ranging from 40 percent to 858 percent, as shown in the sections below. Motor Vehicles for Hire include taxicabs, limousines, jitneys, motorized rickshaws, etc.

2. The proposed Part II, Chapter VIII, Section 2.26.1 of the San Francisco Municipal Code (Police Code) would apply to specific permit and filing fees that are required of individual drivers of public vehicles when submitting applications related to Motor Vehicles for Hire. These fees are paid directly to the Police Department and are generally one-time fees. The current and proposed new permit and filing fees and the percent increase in these fees, under Section 2.26.1 are as follows:

	<u>Current Fees</u>	<u>Proposed Fees</u>	<u>% Increase</u>
Color Scheme Change	52	\$300	477
Color Scheme Inspection	0	250	New Fee
Driver Address Change	0	15	New Fee
Driver Employer Change	0	50	New Fee
Interurban Bus	96	500	421
Jitney Bus Driver	86	120	40
Jitney Bus Owner	144	500	247
Limousine	96	500	421
Motorized Rickshaw	96	500	421
Motor Vehicle Annual Sworn Statement	0	45	New Fee
Motor Vehicle Insurance Change	0	500	New Fee
Motor Vehicle Permit Amendment	50	100	100
Public Passenger Vehicle Driver	31	120	287
Public Motor Vehicle Reinspection	0	75	New Fee
Radio Dispatch Reinspection	0	250	New Fee
Radio Dispatch Service Change	0	300	New Fee
Sightseeing Bus	96	500	421
Taxicab	96	500	421
Taxicab Color Scheme	0	1000	New Fee
Taxicab Radio Dispatch Service	0	1500	New Fee

Significant increases in Motor Vehicle for Hire permit and filing fees are being proposed, ranging from 40 to 477 percent. In many cases, no estimate of a percent increase can be calculated because the proposed ordinance would establish new fee categories.

3. The proposed Part II, Chapter VIII, Section 2.27.1 of the San Francisco Municipal Code (Police Code) would apply to specific license fees that are required for Motor Vehicles for Hire based on the type of permits issued by the Police Department. These fees are paid directly to the Tax Collector and are generally collected annually. The proposed current and new license fees and the percent increase in these fees, under Section 2.27.1 are as follows:

	<u>Current Fees</u>	<u>Proposed Fees</u>	<u>% Increase</u>
Interurban Bus Owner	96	920	858
Jitney Bus Driver	15	75	400
Jitney Bus Owner	95	920	868
Jitney Bus Plate	7	20	186
Limousine Owner	96	920	858
Motorized Rickshaw Owner	96	920	858
Public Passenger Vehicle Driver	16	75	369
Sightseeing Bus Owner	96	920	858
Taxicab Color Scheme	0	250*	New Fee
Taxicab Radio Dispatch Service	0	300**	New Fee
Taxicab Owner	96	920	858

* Plus \$35 per taxicab.

**Plus \$25 per taxicab.

Significant increases in Motor Vehicle for Hire license fees are also being proposed, ranging from 186 to 858 percent. In two cases, estimates of a percent increase cannot be calculated because the proposed ordinance would establish new fee categories.

4. The Board of Supervisors previously approved an ordinance amending Article 16 of the Police Code (Ordinance 562-88) which established a separate Motor Vehicle for Hire Enforcement Fund (Section 1087) and which mandated that permit and license fees collected from the Motor Vehicle for Hire industry be used to fund the enforcement of the provisions of the Article. According to the ordinance, the actual fees are to be set by the Board of Supervisors on an annual basis in an amount that is sufficient to cover the Police Department's estimated actual expenses. The proposed ordinance, that is the subject of this item, is the Police Department's recommendations for 1989-90 increases to Motor Vehicle for Hire permit, filing and license fees.

5. The special Motor Vehicle for Hire Enforcement Fund became effective as of March 1, 1989. This fund is administered by the City Treasurer and Controller and all funds must be appropriated according to the fiscal and budgetary provisions of the City Charter. It should also be noted that Section 1085 of Article 16 states that after January 1, 1990, the permit and license fees for Motor Vehicles for Hire may not be increased more than ten percent per year.

Comments

1. The Police Department reports that the total revenues collected by the Police Department and the Tax Collector during fiscal year 1988-89 from the current Motor Vehicle for Hire permit, filing and license fees was \$306,202. The projected revenues to be collected from the proposed Motor Vehicle for Hire permit, filing and license fees would be \$1,512,075 in fiscal year 1989-90. Therefore, the proposed fees would result in an annual fee increase of \$1,205,873, or a 394 percent increase in annual revenues.

2. The Police Department reports that the significant increases in the Motor Vehicle for Hire permit and license fees are necessary to cover the projected expenses of the Department's Taxi Unit patrol enforcement, inspection and administration activities, including overhead expenses. The Department has provided estimates to the Budget Analyst that indicate that total expenses in fiscal year 1989-90 would be \$1,512,298. This estimate includes the provision of five existing sworn officers and 11 new civilian employees within the Police Department's Taxi Unit. In addition, these costs include portions of 21 other employees within the Police Department that would provide permit, taxi management, legal and administrative support functions to the Taxi Unit.

3. According to Mr. Bob English of the Police Department, the fiscal year 1988-89 costs of the Police Department's Taxi Unit was approximately \$600,000. Although this estimate of costs does not include any overhead expenses, these fiscal year 1988-89 costs are over \$900,000 less than what the Police Department is projecting as their costs for fiscal year 1989-90. Much of this difference is because the current staffing in the Taxi Unit includes only the existing positions of one Sergeant and four Police Officers for a total of five employees. As previously indicated, the proposed fiscal year 1989-90 staffing would include not only the existing five sworn officers but also the following 11 new civilian employees:

Memo to Finance Committee
July 19, 1989

<u>Number of Positions</u>	<u>Classification Number</u>	<u>Title</u>	<u>Annual Salary</u>	<u>Total Annual Salaries</u>
Inspection				
3	8213	Police Service Aide	\$35,385	\$106,154
2	7381	Auto Mechanic	41,345	82,690
2	7410	Auto Service Worker	29,508	59,015
Administration/Analysis				
1	1802	Research Assistant	36,582	36,582
1	8213	Police Service Aide	35,385	35,385
2	1426	Senior Clerk Typist	26,962	<u>53,924</u>
Total Annual Salary Costs				\$373,750

In addition to the salary costs, the Police Department has estimated approximately \$101,000 of fringe benefit costs and \$296,000 of related and overhead expenses associated with these new positions, resulting in a total estimated additional cost of approximately \$770,750.

4. The proposed 11 new positions are not included in the 1989-90 budget. In order to create and fund these positions, a separate amendment to the annual salary ordinance and supplemental appropriation would be required to be approved by the Mayor and the Board of Supervisors, financed by the proposed fee increases.

5. To date, the Police Department has not provided workload requirements, job functions or adequate justification for the need to add 11 new additional positions to the existing five employees that presently comprise the Taxi Unit within the Police Department. In response to inquiries by the Budget Analyst, the Department has indicated that they will prepare additional information to justify the additional staffing required.

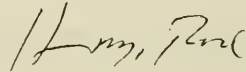
Recommendation

Continue the proposed ordinance to establish separate permit, filing and license fees for Motor Vehicles for Hire which would significantly increase such fees, until the Police Department can provide additional data to justify adding 11 new positions to the Taxi Unit, the cost of which would be funded through an increase ranging from 40 percent to 858 percent of the Motor Vehicles for Hire permit, filing and license fees.

BOARD OF SUPERVISORS
BUDGET ANALYST

Items 4 and 5 - Files 45-89-30 and 46-89-9

The proposed ordinances authorizing settlement of litigation are legal matters under the responsibility of the City Attorney's Office. The Budget Analyst does not normally review and report on such items.



Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
President Britt
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

BOARD OF SUPERVISORS
BUDGET ANALYST

CALENDAR
MEETING OF
FINANCE COMMITTEE

DOCUMENTS DEPT.

JUL 31 1989

Board of Supervisors
City and County of San Francisco

SAN FRANCISCO
PUBLIC LIBRARY

WEDNESDAY, JULY 26, 1989 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

CLERK: GREG HOBSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

1. File 101-86-84.1. To consider release of reserved funds, Fire Department, in an amount totalling \$135,000, for continued environmental work; (\$95,000 required for immediate contracts and \$35,000 for engineering preparation of contracts and other permits). (Fire Department)

ACTION: HEARING HELD; CONTINUED TO AUGUST 2, 1989.

2. File 101-87-13.6. To consider release of reserved funds, Fire Department, in an amount totalling \$1,481,490 for Fire Bond projects; (\$102,060 for purchase of mechanical joint sleeves for AWSS extension piping and \$1,379,430 for installation of Clarendon Avenue high pressure extension. (Fire Department)

ACTION: RELEASE OF \$1,481,490 APPROVED; FILED.

3. File 23-89-8. [Statute of Limitations] Resolution authorizing the City Attorney's Office on behalf of the City and County of San Francisco to waive for three months the five-year statute of limitations in Shirley Cole vs. City and County of San Francisco, et al., San Francisco Superior Court No. 829357. (City Attorney)

ACTION: TABLED.

4. File 28-89-8. [Emergency Work] Resolution authorizing the Director of Department of Public Works to take necessary measures to protect the health, welfare and property of the citizens of San Francisco by performing the necessary work at an estimated cost of \$228,962 to restore the integrity of the Brannan Street outfall. (Dept. Public Works)

ACTION: RECOMMENDED.

5. File 51-89-1.1. Transmitting claims of employees, various departments for reimbursement for personal property damaged and/or stolen in the lost of duty. (Finance Committee)

Vincent H. Prugh, District Attorney's Office

ACTION: VINCENT H. PRUGH REMOVED FROM FILE. REMAINING CONTINUED TO THE CALL OF THE CHAIR.

File 51-89-1.2. REIMBURSEMENT TO VINCENT H. PRUGH IN THE AMOUNT OF \$477 APPROVED. RESOLUTION PREPARED IN AND REPORTED OUT OF COMMITTEE ENTITLED: "Authorizing reimbursement to Vincent H. Prugh for cost of personal property a City and County employee damaged/stolen in the line of duty." RECOMMENDED.

6. File 84-89-2. [Acquisition of Property] Resolution authorizing acquisition of a portion of County of San Mateo Assessor's Parcel 5-224-020 from Southern Pacific Transportation Company, a Delaware Corporation, to construct, maintain and operate a transport sewer, storage pump station for the Sunnydle Facilities Project. (Real Estate Dept.)

ACTION: RECOMMENDED.

CLOSED SESSION

7. File 46-89-9. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Ross E. Laflin and Martin Sacco vs. Pacific Gas and Electric Co., William H. Malcom, et al., upon receipt of the sum of \$30,000 and authorizing dismissal of complaint. (City Attorney) (Superior Court No. 865-977)

(Cont'd from 7/19/89)

ACTION: RECOMMENDED.

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BOARD OF SUPERVISORS

BUDGET ANALYST *Recommendations*

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July 26, 1989

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JUL 27 1989

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TO: Finance Committee
FROM: Budget Analyst
SUBJECT: July 26, 1989 Finance Committee Meeting

Item 1 - File 101-86-84.1

Department: Fire Department

Proposed Action: Release of reserved funds previously approved for capital improvement projects. The funds were reserved pending submission of details of the environmental review work program to be contracted out.

Amount: \$135,000

Source of Funds: 1986 Fire Protection Bond (Proposition A) funds

Description:

1. In November, 1986, City voters approved the issuance of Fire Protection System Improvement Bonds (Proposition A). Funds from the bond sale in the amount of \$46,200,000 are to be used for the improvement of the City's fire protection system.
2. In April, 1987, the Board of Supervisors approved the Fire Department's \$1,635,700 supplemental appropriation from the 1986 bond funds for capital improvement projects (File 101-86-84) and placed on reserve \$167,000 for environmental review contractual services pending submission of details of the work program for these services.

3. The \$1,635,700 supplemental appropriation included seven planning and start-up projects that are needed to implement the fire protection system improvements. One of the seven planning and start-up projects involves consultant services to prepare environmental assessments of the planned projects. The environmental review costs, totalling \$217,000, include \$167,000 for consulting services as follows:

DPW planning and monitoring	\$ 10,000
City Planning Dept. request for proposal (RFP) development and review	40,000
Consultant to perform environmental studies	<u>167,000</u>
Total Environmental Review	\$217,000

4. The DPW is now requesting release of \$135,000 of the reserved \$167,000 for environmental work as follows:

Contractual Services

a) Archeological Services for 3rd Street extension. Contract with Holman & Associates (LBE), pending Civil Service approval. Approximately 533 hours at \$30/hour. Includes 10% contingency. \$ 17,600

b) Modification to existing archeological services contract with Bendix Environmental Research, Inc. (WBE/LBE). Contractor has received Civil Service approval. 120 hours @ \$33/hour. 3,960

c) Modification to existing hazardous materials services contract with Woodward-Clyde Consultants (MBE/LBE). Two soils tests, including field exploration (\$5,100), laboratory testing (\$2,600) and report and project management (\$1,200). Includes 10% contingency 9,790

d) Archaeological services for the excavation of eight cisterns. Contractor to be selected. Cost estimates based on approximately 1,067 hours @ \$30/hour, including 10% contingency. 35,200

BOARD OF SUPERVISORS
BUDGET ANALYST

e) Archaeological services for Ingalls Street extension. Contractor to be selected. Cost estimates based on approximately 667 hours at \$30/hour, including 10% contingency \$22,000

f) Archaeological services for Clarendon Avenue extension. Contractor to be selected. Estimates based on approximately 333 hours @ \$30/hour, including 10% contingency. 11,000

Subtotal Contractual Services \$ 99,550

DPW preparation of permit applications and requests for proposals, and costs of permit fees. 88 days @ \$400 average cost per day, including fringe benefits and overhead. \$ 35,450

Total Requested Release of Funds \$135,000

Total Funds Previously Placed on Reserve 167,000

Balance Remaining in Reserve \$ 32,000

Comments:

1. According to Mr. Bob Jew of DPW, the release of reserved funds is requested prior to identification of three of the contractors for (1) excavation of eight cisterns at an estimated cost of \$35,200, (2) archaeological services for Ingalls Street extension at an estimated cost of \$22,000 and (3) archaeological services for Clarendon Avenue extension at an estimated cost of \$11,000 because the Department wishes to expedite the proposed work. Mr. Jew specifically identified the Clarendon Avenue extension project because DPW anticipates being able to give the contractor a notice to proceed in approximately two months. The Budget Analyst disagrees with the Department and recommends that the Finance Committee not release these funds until the contractors have been selected, the number of hours and the hourly rates have been identified and the MBE/WBE/LBE status of each of the contractors has been specified. Given that the Clarendon Avenue extension project, which is the most timely project, is not anticipated to begin for at least two months, there is sufficient time for the Fire Department to select contractors and subsequently request the release of funds from the Finance Committee at a later date.

BOARD OF SUPERVISORS
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2. The \$167,000 that was previously placed on reserve (File 101-86-84) was specifically for contractual services to assess the environmental impacts of the pumping station at Lake Merced; the extension of the Emergency Coordination Center at the Central fire alarm station; the seismic requirements for the Emergency Coordination Center and other environmental impact report requirements. None of the above cited requested contractual services specifically address these items. Mr. Jew reports that the requested release of \$135,000 addresses the other environmental impact report requirements.

3. According to Mr. Jew, at the time that the reserve was placed on the \$167,000, the Negative Declarations for the 3rd Street, Ingalls Street and Clarendon Avenue extension projects and the cistern project had not been completed. The Negative Declarations on these projects determined that archaeological services are required. Therefore, Mr. Jew reports that these funds were identified for such purposes.

4. If the proposed release of funds is approved, the remaining \$32,000 would be available for the other projects identified in the initial reserve. However, DPW was not able to provide the Budget Analyst with any estimate of the cost to conduct the environmental assessments for these remaining projects, such that it is not known if the remaining amount of funds would be adequate to complete the required tasks. Mr. Jew did indicate that DPW was currently analyzing other problems related to the water level at Lake Merced and that there may be additional environmental problems related to the Lake Merced pumping station project.

5. It should be noted that the reserve of \$167,000 was to be specifically for contractual services related to the environmental assessments (File 101-86-84). However, in addition to the proposed contractual services, the Department is now proposing that \$35,450 be allocated to DPW for the preparation of permit applications and requests for proposals and the costs of permit fees. At the time the Board of Supervisors approved placing the \$167,000 on reserve, the Board also approved the release of \$50,000 for DPW's planning, monitoring and requests for proposal development and review related to environmental assessments. The currently proposed \$35,450 appears to be at least partially duplicative of the previously approved \$50,000 and has not been adequately justified.

BOARD OF SUPERVISORS
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6. Finally, in the Fire Department's request for the release of the reserved funds, the Department has provided details to the Budget Analyst amounting to \$135,000. In the Department's communication to the Board of Supervisors, the tasks include \$95,000 for immediate contracts and \$35,000 for engineering preparation of contracts and other permits for a total of \$130,000. The Department should be requested to clarify this \$5,000 difference.

Recommendation: Continue the proposed release of reserved funds until the Department is able to respond to the questions raised by the Budget Analyst, as outlined in the Comments above.

Item 2 - File 101-87-13.6

Department: Fire Department

Proposed Action: Release of reserved funds previously approved for capital improvement projects. The funds were reserved pending submission of detailed cost estimates for the purchase and installation of high pressure water systems.

Amount: \$1,481,490

Source of Funds: 1986 Fire Protection Bond (Proposition A) funds

Description: 1. In November, 1986, City voters approved the issuance of Fire Protection System Improvement Bonds (Proposition A). Funds from the bond sale in the amount of \$46,200,000 are to be used for the improvement of the City's fire protection system.

2. In September, 1987, the Board of Supervisors approved the Fire Department's \$29,364,300 supplemental appropriation from the 1986 bond funds for capital improvement projects (File 101-87-13) and placed on reserve \$14,092,300 for the purchase and installation of high pressure water system parts pending submission of the detailed cost estimates.

The Fire Department is now requesting release of \$1,481,490 of the \$14,092,300 in reserved funds for the high pressure water system purchase and installation costs, as provided by the Department of Public Works (DPW), as follows:

Purchase Costs

Mechanical joint sleeves for extension piping	
Contract awarded to Olympic Foundation	\$92,783
Contingency of 10%	<u>9,277</u>

Subtotal Purchase costs	102,060
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Installation Costs

Installation of the Clarendon Avenue	
high pressure extension. Contract	
awarded to Stacy & Witbeck Co.	\$1,165,525
Contingency of 10%	<u>116,553</u>

Subtotal - Installation Costs	\$1,282,078
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BOARD OF SUPERVISORS
BUDGET ANALYST

Bureau of Engineering

Construction Management	\$73,775
Traffic Engineering	5,920
Testing Lab Services	<u>14,157</u>

Subtotal Bureau of Engineering \$93,852

Bureau of Building Repair

Pavement Striping	<u>3,500</u>
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Total Costs \$1,481,490

Comments:

1. According to DPW, bids were solicited for the purchase contract and four bids were received. The four bids received for the purchase contract are as follows:

<u>Firm</u>	<u>Preference</u>	<u>Total Bid</u>
Olympic Foundry	None	\$92,783*
US Pipe and Foundry Co.	None	99,873
Link International	MBE/LBE	\$134,829
Phoenix Iron Works	None	Withdrew Bid

*Low Bid

The lowest bidder was Olympic Foundry, which is not a local, minority or woman business enterprise. Olympic Foundry has received the Human Rights Commission's approval.

2. Bids were also solicited for the installation contract and eight bids were received. A joint venture consisting of three firms, including (1) Stacy & Witbeck Company, (2) Nationwide Construction Company, and (3) West Bay Equipment Company, was selected as the lowest bidder. The Human Rights Commission has approved the joint venture led by Stacy & Witbeck Company as an LBE, MBE and WBE. The eight bids received for the installation contract are as follows:

<u>Firm</u>	<u>Preference</u>	<u>Total Bid</u>
Stacy & Witbeck Co., Nationwide Construction Co., West Bay Equipment Co.	LBE MBE, WBE	\$1,165,525*
Darcy & Harty Construction	LBE	1,191,040
Bay Pacific Pipelines, Interlane General Engineering	LBE, MBE	1,235,260
Ranger Pipelines, A. Ruiz Construction Co.	LBE, MBE	1,312,750
Dalton Construction	LBE	1,441,420
McGuire & Hester	LBE	1,481,481
W.J. Gaffney, Inc.	LBE	1,615,375
E. Mitchell	LBE	1,700,108

*Low Bidder

Recommendation: Approve the proposed release of reserved funds in the amount of \$1,481,490.

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Item 3 - File 23-89-8

1. The proposed resolution would authorize the City Attorney's Office to waive for three months the five-year statute of limitations in the case of Shirley Cole vs. City and County of San Francisco. According to the City Attorney's Office, State law requires that a case must be tried within five years of the date that it is filed. San Francisco Charter Section 2.300 provides that the Board of Supervisors may adopt by three-quarters vote a resolution waiving the five year statute of limitations.

2. According to Mr. Scott Emblidge of the City Attorney's Office, the statute of limitations for the Superior Court case of Shirley Cole vs. City and County of San Francisco expires in September of 1989, and the Superior Court has set a trial date of August 14, 1989. Mr. Emblidge indicates that the two City Attorneys assigned to this case are unavailable for trial on that date due to conflicts of scheduling with other City work to which they are assigned. Waiver of the statute of limitations would allow the Court to reschedule the case at a time when the City Attorneys will be available to represent the City.

Comment

Mr. Emblidge has informed the Budget Analyst that the Superior Court has recently ordered that the five-year statute of limitation be waived. Mr. Emblidge indicates that the Court Order renders the proposed resolution unnecessary and therefore requests that the item be tabled.

Recommendation

Table the proposed resolution as requested by the City Attorney's Office.

Item 4 - File 28-89-8

Department: Department of Public Works (DPW)
Clean Water Program (CWP)

Item: Emergency resolution approving the expenditure of funds to restore the Brannan Street Outfall structure located below mean tide in San Francisco Bay. Pursuant to Section 6.30 of the Administrative Code, Board of Supervisors approval is required for emergency expenditures in excess of \$25,000.

Amount: \$228,962

Source of Funds: Clean Water Program
Sewer Repair and Replacement Fund

Project Description: At the present time, severe cracks to the outside structure of the Brannan Street Outfall causes water from San Francisco Bay to seep into the outfall. In addition, the existing hydraulically activated butterfly valve at the outfall is programmed to fall open in the event of a power failure. Under these circumstances a storm occurring during a power failure could cause the flooding of salt water into the distribution system which could adversely affect the operation of the sewage treatment facility.

DPW has declared an emergency in order to assure the completion of the needed restoration work by November of 1989, the expected start of the City's rainy season. DPW has deemed the necessary work to be an emergency because the existing outfall, east of the Embarcadero, is below mean tide, limiting the opportunity to accomplish the restoration work to only a few days when the tides are anticipated to be sufficiently low.

Because the repairs required highly specialized work, DPW requested technical assistance from Gelco Insituform West which specializes in this type of work. Gelco advised DPW to install inversion lining permitting a greater flow capacity than could be accomplished with the current technology of installing slip lining with polyethelene pipe.

Under normal conditions, DPW takes up to six months to complete the process of preparing, advertising and awarding contracts. In accordance with Section 6.30 of the Administrative Code, an expedited bidding procedure was utilized by DPW. Gelco was the only contractor responding to the advertised request for bids to undertake the work and was awarded the repair contract.

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BUDGET ANALYST

DPW Bureau of Engineering has estimated a total cost of \$228,962 for the emergency restoration work to the Brannan Street Outfall based on the bid received from Gelco of \$174,875 for the construction work. The details of the cost are as follows:

Design and Management (In-House)		
Design	\$21,600	
Construction Management	<u>15,000</u>	\$36,600
Construction		
Construction Contract	\$174,875	
Contingency	<u>17,487</u>	<u>192,362</u>
Total Estimated Cost		\$228,962

Comments:

1. Mr. John Moeck, DPW Construction Management Engineer, advises that the work started on June 12th and the project is expected to be completed by July 31, 1989.
2. According to Mr. Henry Anderson, CWP Project Manager, only a few construction companies specialize in the particular repair work needed for the Brannan Street Outfall which accounted for the receipt of only one bid to the City's advertised request.

Recommendation: Approve the proposed resolution.

Item 5 - File 51-89-1.1

1. This item would authorize the payment of a claim made by a City employee for the cost of personal property which has been stolen in the line of duty. This claim was previously included in a resolution authorizing payment of City employee claims (File 51-89-1), but this claim was severed from the resolution pending further review of the claim by the Controller's Office. The Controller has reviewed the claim and recommends reimbursement to this one City employee, at a cost of \$477.00, as follows:

<u>Department</u>	<u>Item</u>	<u>Amount Claimed</u>	<u>Amount Recommended</u>
<u>District Attorney</u>			
Vincent H. Prugh	Stolen Items	\$477.00	\$477.00

2. The stolen items include a handgun, holster and bullet case which the employee, a Senior Investigator, was required to purchase and carry while performing his duties. The items were stolen from his locked desk in the District Attorney's locked offices during a holiday weekend.

Recommendation

Prepare in and report out a resolution approving this request.

Item 6 - File 84-89-2

Department: Real Estate Department
Department of Public Works, Clean Water Program (CWP)

Proposed Action: Resolution authorizing the City and County of San Francisco to acquire property from the Southern Pacific Transportation Company.

Location: The proposed site is located in San Mateo County, within a portion of Assessor's Parcel 5-224-020, which is adjacent to and west of Harney Way, just south of the City and County of San Francisco line (see attached map).

Purpose: The acquisition of the proposed parcel owned by the Southern Pacific Transportation Company is needed to construct, maintain and operate a transport sewer, storage box and pump station for the CWP's Sunnydale Facilities Project, which is designed to accommodate additional runoff during heavy rains and to correct the major sewer problems in the southeast portion of the City. The proposed resolution would allow the City's Clean Water Program to purchase the specific parcel on which the pump station will be located. The pump station structure will extend from approximately 60 feet below ground to approximately one foot above ground, including an above ground ventilation stack. The site will also contain an observation platform for bird watching.

Size: The proposed parcel contains approximately 22,584 square feet.

Total Cost: Purchase price of \$221,000, plus an additional \$4,000 for escrow and title fees, for a total cost of \$225,000.

Source of Funds: Previously appropriated 1976 Sewer Revenue Bonds (Principal and interest payments are made from Sewer Service Charge revenues).

Comments: 1. Master Plan approval and adoption of the eight priority policies of Code Section 101.1 (Proposition M) are not required because the property is located within San Mateo County.

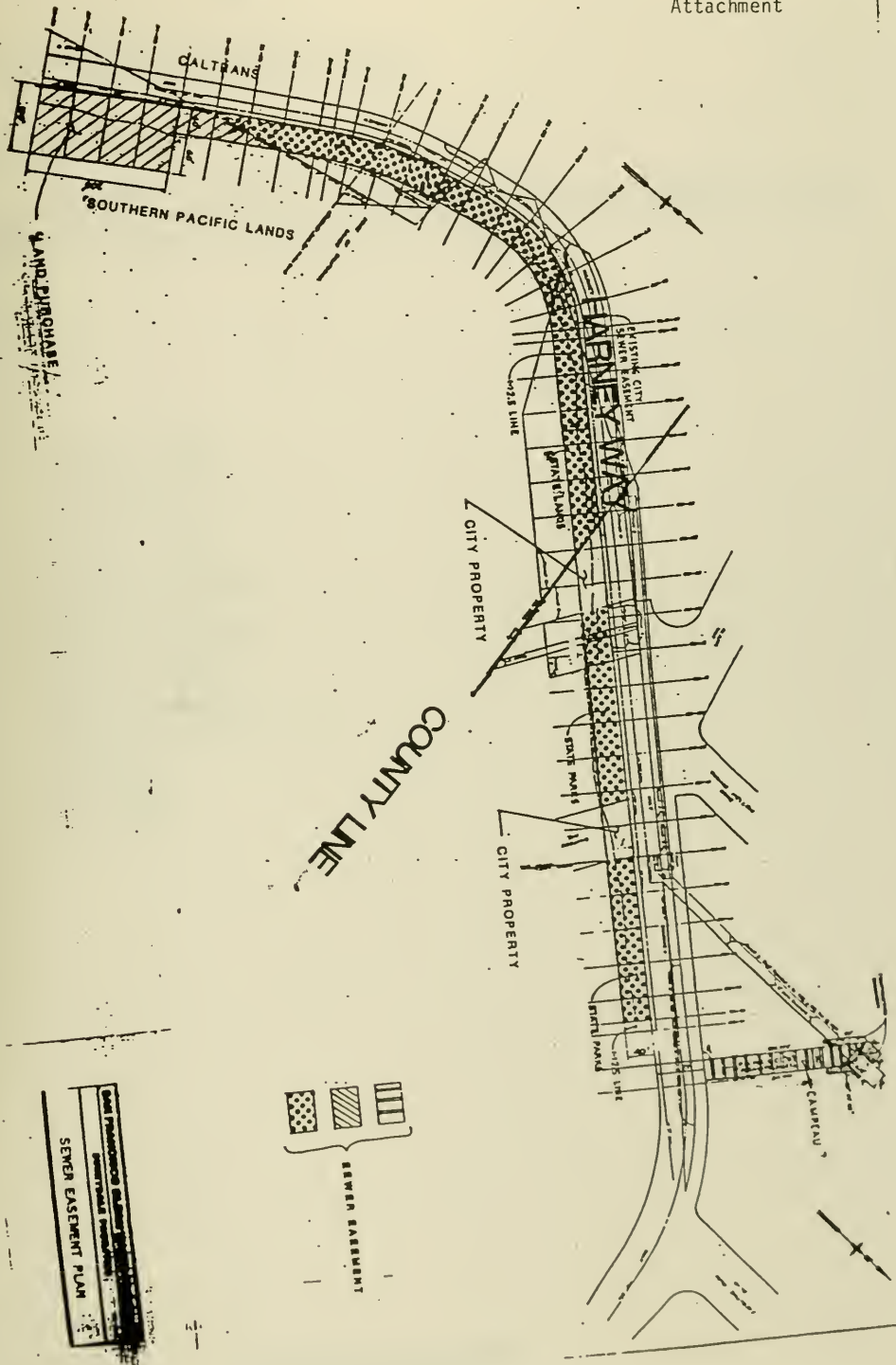
BOARD OF SUPERVISORS
BUDGET ANALYST

2. The proposed purchase of property is one of six purchases that are needed to undertake the construction of the Sunnydale Facilities Project. The City has already obtained two easements from the State Parks Department, one easement from the California State Lands Commission and one encroachment permit from the California Department of Transportation (Caltrans). On July 19, 1989, the Finance Committee recommended approval and the Board of Supervisors is currently reviewing an ordinance to enable the transfer of easements with the Campeau Corporation California. The Southern Pacific Transportation Company parcel, that is the subject of the proposed resolution, would be the last parcel that would be needed by the City before undertaking the construction of the Sunnydale Project.

3. Both the proposed resolution and the pending ordinance for the transfer of easements with the Campeau Corporation California cannot be approved by the Board of Supervisors until July 31, 1989. However, Mr. Todd Cockburn, of the CWP reports that the State Regional Water Quality Board has imposed a deadline of August 1, 1989 for issuing a notice to proceed to the contractor. According to Mr. Cockburn, the State can impose up to a \$25,000 per day fine for not meeting the August 1 deadline.

4. Mr. Harry Quinn of the Real Estate Department reports that the proposed purchase price represents the appraised value of the property and is the original offer made by the City to Southern Pacific. It should be noted that the City has filed a resolution of necessity for public use of this property, the first step in undertaking eminent domain proceedings on the proposed property. The City subsequently filed a complaint against Southern Pacific in order to obtain the proposed parcel. In response, Southern Pacific has agreed to sell the property to the City based on the original offer, without the City having to proceed with the eminent domain action.

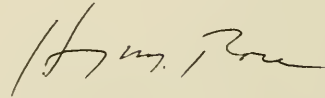
Recommendation: Approve the proposed resolution.



Memo to Finance Committee
July 26, 1989 Finance Committee Meeting

Item 7 - File 46-89-9

The proposed ordinance authorizing settlement of litigation is a legal matter under the responsibility of the City Attorney's Office. The Budget Analyst does not normally review and report on such items.



Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
President Britt
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

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